

The NATIONAL UNDERWRITER

Annual Statements ★ THE HOME ★ *Insurance Company*

FIRE • AUTOMOBILE • MARINE

and THE HOME INDEMNITY COMPANY

Balance sheet of THE HOME INSURANCE COMPANY December 31, 1954

ADMITTED ASSETS

United States Government Bonds	\$ 81,571,962.52
Other Bonds	94,561,406.92
Preferred and Common Stocks	199,039,024.72
Cash in Office, Banks and Trust Companies	23,895,857.61
Investment in The Home Indemnity Company	20,031,763.00
Real Estate	7,169,468.45
Agents' Balances or Uncollected Premiums, less than 90 days due	21,077,696.08
Other Admitted Assets	5,255,553.62
Total Admitted Assets	\$452,602,732.92

LIABILITIES

Reserve for Unearned Premiums	\$ 175,675,958.00
Unpaid Losses and Loss Expenses	43,281,009.63
Taxes Payable	5,675,000.00
Reserves for Reinsurance	1,810,986.40
Dividends Declared	2,000,000.00
Other Liabilities	4,647,561.32
Total Liabilities	\$233,090,515.35
Capital	20,000,000.00
Surplus	199,512,217.57
Surplus as Regards Policyholders	\$219,512,217.57
Total	\$452,602,732.92

NOTE: Bonds carried at \$5,936,585.11 amortized value and cash \$82,500.00 in the above balance sheet are deposited as required by law. All securities have been valued in accordance with the requirements of the National Association of Insurance Commissioners.

Balance sheet of THE HOME INDEMNITY COMPANY December 31, 1954

ADMITTED ASSETS

United States Government Bonds	\$ 20,981,611.72
Other Bonds	17,898,690.96
Preferred and Common Stocks	14,322,398.00
Cash in Office, Banks and Trust Companies	2,141,817.14
Agents' Balances or Uncollected Premiums, less than 90 days due	4,184,519.99
Other Admitted Assets	937,814.99
Total Admitted Assets	\$ 60,466,852.80

LIABILITIES

Reserve for Unearned Premiums	\$ 17,408,676.00
Unpaid Losses and Loss Expenses	22,011,128.00
Taxes Payable	770,000.00
Reserves for Reinsurance	52,606.00
Other Liabilities	176,444.17
Total Liabilities	\$ 40,418,854.17
Capital	1,500,000.00
Surplus	18,547,998.63
Surplus as Regards Policyholders	\$ 20,047,998.63
Total	\$ 60,466,852.80

NOTE: Bonds carried at \$1,105,000.00 amortized value in the above balance sheet are deposited as required by law. All securities have been valued in accordance with the requirements of the National Association of Insurance Commissioners.

HAROLD V. SMITH, Chairman of the Board

KENNETH E. BLACK, President

DIRECTORS OF THE HOME INSURANCE COMPANY

LEWIS L. CLARKE
Banker

HAROLD V. SMITH
Chairman of the Board

FREDERICK B. ADAMS
Chairman of
Executive Committee,
Atlantic Coast Line
Railroad Co.

ROBERT W. DOWLING
President,
City Investing Co.

GEORGE GUND
President,
The Cleveland Trust Co.

HAROLD H. HELM
President,
Chemical Corn Exchange
Bank

CHARLES A. LOUGHIN
Vice President &
General Counsel

IVAN ESCOTT
New York City
PERCY C. MADEIRA, JR.
Chairman of
Executive Committee,
Tradesmen Land Title Bank
& Trust Co.

EARL G. HARRISON
Schnader, Harrison,
Segal & Lewis

CHAMPION McDOWELL DAVIS
President,
Atlantic Coast Line
Railroad Co.

WARREN S. JOHNSON
Investment Counselor,
Peoples Savings
Bank & Trust Co. of
Wilmington, N. C.

HENRY C. BRUNIE
President,
Empire Trust Co.

HARBIN K. PARK
Chairman of Board,
The First National
Bank of
Columbus, Ga.

BOYKIN C. WRIGHT
Shearman & Sterling
& Wright

LEROY A. LINCOLN
Chairman of Board,
Metropolitan Life
Insurance Co.

THOMAS J. ROSS
Senior Partner,
Ivy Lee and T. J. Ross

HENRY C. VON ELM
Honorary Chairman
of Board,
Manufacturers Trust Co.

JOHN M. FRANKLIN
President,
United States Lines Co.

LOU R. CRANDALL
President,
George A. Fuller Co.

KENNETH E. BLACK
President

LEONARD PETERSON
Vice President

HERBERT A. PAYNE
Vice President & Secretary
J. EDWARD MEYER
President,
Cord Meyer Development
Company

ARTHUR C. BARSON
Vice President,
Babson's Reports, Inc.

ROBERT G. GOELLET
Real Estate

HOME OFFICES: 59 MAIDEN LANE, NEW YORK 8, N. Y.

THURSDAY, FEBRUARY 24, 1955

PEARL AMERICAN GROUP

19 RECTOR ST., NEW YORK 6, N. Y.

CLEVELAND
320 Bulkley Bldg.

CHICAGO
175 W. Jackson Blvd.

CINCINNATI
1423-1424 Carew Tower

SAN FRANCISCO
369 Pine Street

PHILADELPHIA
330 Walnut St.

Pearl Assurance Company, Ltd. (United States Branch)

19 Rector Street, New York 6, New York

FINANCIAL STATEMENT — December 31, 1954

Assets	Liabilities
*Bonds	
Government	\$10,018,961.83
Railroad	534,484.95
Public Utilities	271,566.84
Industrial and Miscellaneous	529,187.95
	\$11,354,201.57
*Stocks	
Railroad	189,260.00
Public Utilities	4,065,150.00
Bank and Insurance	2,925,509.98
Industrial and Miscellaneous	1,315,920.00
	8,495,839.98
Cash and Bank deposits	1,021,110.42
Premium balances receivable not more than 90 days past due, less reinsurance premiums due to other companies	670,637.23
Reinsurance recoverable on paid losses due from other companies	1,149,653.61
Other admitted assets	118,696.48
Total Admitted Assets	\$22,810,139.29
	*Valuations on basis approved by National Association of Insurance Commissioners. Securities carried at \$975,648.39 are deposited as required by law.

The Eureka-Security Fire and Marine Insurance Company

Corporate Office: 1423-4 Carew Tower, Cincinnati 2, Ohio

Chief Office: 19 Rector Street, New York 6, New York

FINANCIAL STATEMENT — December 31, 1954 (New York Basis)

Assets	Liabilities
*Bonds	
Government	\$10,256,696.14
Political Subdivisions of States	99,073.02
Railroad	393,469.25
Public Utilities	241,801.09
Industrial and Miscellaneous	292,261.27
	\$11,283,300.77
*Stocks	
Railroad	\$ 42,000.00
Public Utilities	3,768,468.00
Bank and Insurance	761,900.85
Industrial and Miscellaneous	670,531.06
	5,242,899.93
Cash and Bank deposits	469,866.47
Premium balances receivable not more than 90 days past due, less reinsurance premiums due to other companies	21,300.85
Reinsurance recoverable on paid losses due from other companies	687,820.10
Other admitted assets	103,054.12
Total Admitted Assets	\$17,808,242.24
	*Valuations on basis approved by National Association of Insurance Commissioners. Securities carried at \$707,251.24 are deposited as required by law.

Monarch Fire Insurance Company

Corporate Office: 1305 N. B. C. Bldg., Cleveland 14, Ohio

Chief Office: 19 Rector Street, New York 6, New York

FINANCIAL STATEMENT — December 31, 1954 (New York Basis)

Assets	Liabilities
*Bonds	
Government	\$3,472,566.36
Political Subdivisions of States	49,536.49
Railroad	95,967.04
Public Utilities	60,220.03
Industrial and Miscellaneous	123,636.62
	\$3,801,921.44
*Stocks	
Railroad	\$ 30,400.00
Public Utilities	1,307,363.00
Bank	230,388.00
Industrial and Miscellaneous	477,294.00
	\$2,045,445.00
Cash and Bank deposits	383,906.31
Premium balances receivable not more than 90 days past due, less reinsurance premiums due to other companies	—8,209.56
Reinsurance recoverable on paid losses due from other companies	244,526.08
Other admitted assets	29,328.40
Total Admitted Assets	\$6,496,917.67
	*Valuations on basis approved by National Association of Insurance Commissioners. Securities carried at \$317,517.10 are deposited as required by law.

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

59th Year, No. 8
February 24, 1955

Hart Heads the Boston, Veterans Elected Directors

Group Passes \$100 Million in Assets for First Time, Winds Produce Small Loss

Cyril S. Hart has been elected president and a director of the Boston, Old Colony, and Boston Indemnity. Harold I. Bartlett and Ernest L. Woodside were elected directors.

Mr. Hart has had 20 years of multiple line experience in home office, field, and executive capacities. He began his insurance career in 1935 with Employers' Liability as a home office automobile underwriter. After attending one of the first training courses conducted by the company, he served as branch office underwriter and as a special agent in New England and Kentucky. In 1941, he joined General Accident as casualty special agent in New England and, after returning from military service, also became fire special agent of Potomac in the same territory. In 1950, he joined the Boston group as production manager in the newly-formed casualty department. In 1953 he advanced to executive assistant to the president, representing the late Donald C. Bowersock in various capacities, and was elected as assistant secretary of the companies in 1954.

Mr. Bartlett has spent his entire business life with the companies, joining the marine department in 1917. Subsequently, when inland marine began its growth in 1924, he had charge of its development. He was elected an assistant secretary in 1938 and was advanced to vice-president in 1943. For the past few years his duties have been of a general underwriting and administrative nature. He has been a member of the executive committee and various subcommittees of the Inland Marine Underwriters Assn. and Inland Marine Insurance Bureau, a director of Insurance Federation of Massachusetts, and is at present a trustee of American Foreign Insurance Association.

Mr. Woodside joined the Boston and Old Colony in 1919. He was elected assistant secretary in 1931, secretary in 1944, and assumed the added office of vice-president in 1953. Under the guidance and leadership of three past presidents of the Boston and Old Colony with whom he has been closely associated in his career with the companies, he has had invaluable experience in the investment and finance fields and is recognized as an authority on the financial stability of insurance institutions, tax and accounting matters.

The consolidated report of the Boston and Old Colony showed assets of \$100,023,908 as of Dec. 31, thus reaching the \$100 million mark for the first time, and policyholders surplus of \$42,268,022, the highest in the companies' history. Written premiums of \$44,124,-

285 Attend Midyear of Minnesota Agents

MINNEAPOLIS—Opportunities for writing business interruption coverage, problems of farm writing, and pending insurance legislation in Minnesota were major topics at the midyear conference of the Minnesota Assn. of Insurance Agents attended by 285 here last week.

"We are carrying business interruption insurance under wraps," said Edward F. Holloran, Hartford Fire staff adjuster, who moderated a panel on that type of coverage. "Every corporation has a precise interest in income," he said in stressing the valuable source of commissions to be found in BI.

A general accountant's view of the need of BI coverage was given by Marion E. Newman, whose public accounting firm represents a number of large Minneapolis corporations. Charles P. Johnston of the Charles W. Sexton agency said a large volume of BI is still unwritten because some agents are timid about writing it and because it seems too complicated. He urged agents to "bone up" on BI.

Oscar A. Bergerson, Fire Underwriter
(CONTINUED ON PAGE 27)

218 represented an increase of 1.7% over 1953 and was the largest volume of business the companies have ever written. The gross investment income increased from \$2,489,352 in 1953 to \$2,685,236 in 1954.

Because of the large proportion of New England business written by the companies, especially in the marine field, the hurricanes of 1954 produced net losses in excess of \$3.5 million, which resulted in an underwriting loss for the year of \$912,635, compared with a profit of \$1,196,617 in 1953. The combined ratio of losses and loss adjusting expenses incurred to premiums earned in 1954 was 59.61%, an increase over 1953 of 5.71%. But as the hurricanes accounted for 8.1% of this, the loss experience, barring hurricanes, would have been satisfactory. The ratio of expenses incurred to premiums written was 41.89% as against 41.14% for the preceding year.

View Unsatisfied Judgment Cover as A & H in Ohio

COLUMBUS—The Ohio division of insurance feels and the attorney general concurs that unsatisfied judgment coverage is accident and health insurance. This is understood to have resulted in withdrawal of the coverage at least temporarily. Motorists Mutual of Columbus, a pioneer in this form of protection, has stopped writing UJ in any state probably until bills now in the Ohio legislature to correct this situation are acted upon. Grange Mutual Casualty, also of Columbus, is similarly affected.

The difficulty is that, as A&H, UJ would have to conform to Ohio insurance division and statutory requirements affecting that branch of insurance. The apparent feeling among interested parties is that this would not be practical.

Motorists Mutual began writing UJ early in 1954 and the 1954 statement of the company shows \$50,382 premium volume for this form. (More than \$28,000 of this was earned.)

The insurer has had only one loss—involving two insured—under UJ. This cost \$10,000, the full limit on behalf of each insured. An uninsured 19 year old driver hit the auto in which the insured were riding. Four persons, including the 19 year old, died.

There was a form of UJ coverage sold as early as 1939 as accident insurance by Mutual Benefit H&A.

Certificates for Drivers

The new auto rate credit applicable to graduates of an accredited education course has posed a problem for most young people who have to show evidence of training, but Insurors of Kingsport, Tenn., has come forward with a solution. The agents' association will print certificates and furnish them to the city and county high training graduates after they are signed by school authorities.

Late News Bulletins . . .

Vote Investigation of S. C. Department

The South Carolina legislature has approved and the governor has signed a resolution calling for an investigation of the insurance department by a committee of six, three from each legislative branch. The action was recommended by retiring Gov. Byrnes, who said companies were not being examined frequently enough and that examiner recommendations probably were not being enforced.

Ohio State Insurance Selling Conference

Selling in today's competitive insurance market will be discussed at a fire and casualty conference at Ohio State University March 4 under sponsorship of the college of commerce and administration. John S. Bickley, associate professor of insurance, arranged the program.

J. Wayne Ley, assistant dean of the college of commerce, will introduce the morning session and Ray W. Kapp, state agent of Phoenix-Connecticut group, Columbus, will preside. Frank Beach, marketing professor at the University of Illinois will discuss "What Motivates a Person to Buy" and Robert F. Floyd, assistant manager of Hartford Accident at Cincinnati, "What Motivates a Person to Sell." Kenneth O. Force of THE NATIONAL UNDERWRITER will tell how

(CONTINUED ON PAGE 28)

PDL Limits Raised to \$5,000 on Most Classes Except Auto

M&C Limits \$25,000, New Product Limits Table, Effective in 47 States

NEW YORK—National Bureau has extended basic limits for property damage liability other than automobile and has revised rates for hospital professional liability and for storekeeper's liability.

Similar changes have been made by Mutual Bureau.

The new basic limits for PDL other than automobile are effective in all states and territories except Oklahoma. The effective date is Feb. 23 except that in Hawaii it is March 1 and in Texas March 23.

The basic limit for PDL is extended from \$1,000 to \$5,000 per accident for contractual, elevator, manufacturers' and contractors' owners' or contractors' protective, product, and OL & T other than comprehensive personal, farmer's comprehensive personal and storekeeper's liability.

The basic aggregate limit for PDL is increased from \$10,000 to \$25,000 for those forms of general liability to which an aggregate limit applies: owners' or contractors' protective and product PDL.

Except for manufacturers' and contractors' PDL, basic limits are increased without any change in the rates formerly charged for the basic limit of \$1,000 per accident or, where applicable, \$1,000/\$10,000. This means that insured who buys \$5,000 limit per accident will in effect pay 20% less than before because he formerly paid a 25% surcharge over the cost of \$1,000 coverage per accident.

With respect to manufacturers' and contractors' PDL, the present basic limits rates for \$1,000/\$10,000 of coverage were inadequate for application to limits of \$5,000/\$25,000. In extending the basic limit, it was necessary, therefore, to increase the basic limits rates 12.5% countrywide, excluding New York. This is only one-half of the charge that formerly applied to increase the limits of liability from \$1,000/\$10,000 to \$5,000/\$25,000. Since the surcharge applicable for limits of \$5,000/\$25,000 for M&C PDL was 25%, this rate change constitutes a net reduction of 10% in the cost for such limits. In New York the rates for basic limits standard coverage are increased approximately 21% statewide, but since the surcharge applicable to such rates for limits of \$5,000/\$25,000 was 25%, the rate change constitutes a net reduction of approximately 3% in the charge for such limits.

For the basic limits coverage for the hazards of explosion, collapse and blowout and cratering, which are identified by the letters "x", "c" and "e" on the manual rate pages, the present

(CONTINUED ON PAGE 28)

Royal-Liverpool Underwriting Gain Is \$10,618,183 in 1954

**Casualty Premiums Increase,
Hurricanes Cost Group
\$9.6 Million**

Royal-Liverpool had a net underwriting gain of \$10,618,183 in 1954 compared to \$12,330,314 the previous year. Loss and loss expense incurred to premiums earned was 58.15%, against 57.95% in 1953.

Premiums written were \$208,876,010, while the unearned premium reserve decreased \$2,612,801, bringing premiums earned to \$211,488,811. Losses incurred totaled \$108,021,640—including hurricane losses of \$9,655,000 gross and \$8,155,000 net after internal reserves and reinsurance—51.08% of premiums earned. Other loss expenses were \$14,952,865, 7.07% of earned premiums.

In fire and marine, net premiums written totaled \$95,672,678, compared to \$99,845,122 in 1953. The decrease in unearned premium reserve was \$3,862,301, bringing earned premiums to \$99,534,979, against \$102,946,184 the previous year.

Incurred fire and marine losses were \$49,735,233—including the previously noted hurricane losses 49.96% of earned premiums. Other expenses and taxes, excluding federal income taxes, brought the percentage to 93.70% or \$93,266,001, leaving a net underwriting gain of \$6,268,978, or 6.30% of earned premiums.

Net premiums written decreased \$4,172,444, 4.18%. Loss and loss expense incurred to premiums earned was 54.61%. Other underwriting expenses and taxes, excluding federal income taxes, to net premiums written was 40.66%.

In casualty business net premiums written totaled \$113,203,332 an increase of \$1,921,515, 1.73%. Increase in the unearned premium reserve was \$1,249,500 making premiums earned \$111,953,832.

Casualty losses were \$58,286,407, 52.06% of premiums earned and loss expenses were \$10,326,990, 9.23% of premiums earned. Total underwriting deductions, including other underwriting expenses and taxes except federal income, were \$107,604,627, 96.12%, making a net underwriting gain of \$4,349,205, 3.88%. The per cent of loss and loss expense to premiums earned was 61.29%.

Other underwriting expenses and taxes, excluding federal income taxes, to net premiums written was 34.44%.

Announce 2 Speakers for A&H Agents Meet

Program planning now is under way for the annual convention of International Assn. of A&H Underwriters, to be held June 12-15 at the Gunter hotel, San Antonio.

The first two speakers announced are Micou Browne, agency vice-president of Occidental Life of North Carolina, and Louie Throgmorton, vice-president and director of public relations of Republic National Life.

R. T. Foster has purchased the Charles H. Westerman agency of Rochester, N. Y. He has been in the business for eight years and with the Westerman agency since 1951.

Volume of Security- Connecticut Group Reaches Record High

Security-Connecticut group showed an increase in assets during 1954 of \$3,826,048 to a total of \$46,466,364. Policyholders surplus increased \$2,246,477 to \$13,500,776.

Security and Connecticut Indemnity had net premiums in 1954 of \$24,595,231, an increase of \$496,833, and the largest volume in the history of the group. Losses and loss expenses incurred to premiums earned was 56.5%, and underwriting expenses to premiums written was 42.6%.

The companies had net losses of approximately \$1.5 million from the three hurricanes in 1954 but showed only a small underwriting loss.

Net investment income for the two companies, exclusive of profit or loss from sale of securities and before federal taxes, totaled \$962,222, up \$119,328.

Complete Agenda for TIRB Rally March 2

The program has been completed for the Underwriting Conference of Transportation Insurance Rating Bureau at Chicago March 2-4. About 150 inland marine and multiple line underwriters of the 130 member and subscriber companies of the mutual organization are expected to attend.

A feature of the meeting will be sessions at which representatives of musical instrument manufacturers will be interviewed by underwriters regarding the susceptibility to damage of various musical instruments, and representatives of credit reporting companies will tell a panel how the most effective use can be made of credit reports. Half a day will be given to a discussion of home owners policies, and other sessions will take up moral hazard, flood under inland marine, transportation coverages, retailers' package policies.

E. R. Sturgeon, Employers Mutual Fire of Wausau, will preside at the opening session. W. H. Rodda, secretary of TIRB, and Charles T. Burney, executive assistant, will give brief remarks. First program speaker will be Dr. R. C. Steinmetz, chief investigator of Mutual Loss Research Bureau, who will talk on moral hazard losses.

T. L. Osborn Jr. of American Manufacturers Mutual will be in charge of the discussion on musical instruments. Eugene V. Bradley of Lumbermen's Mutual of Mansfield, and Anita Charlet of Employers Mutual Fire will ask a panel of four musical instrument manufacturers about values and loss. Concluding speaker the first day will be Clarence R. Conklin of Heineke & Conklin, Chicago, who will discuss inland marine losses in a major flood.

Frank Fowler of Federated Mutual Implement & Hardware, will be chairman for the second morning at which the speakers will be R. A. Bradberg, Employers Mutual Liability; B. F. Mackin, assistant editor of the *Fire, Casualty & Surety Bulletins*, and D. N.

On Participating Basis in Wash.

Anchor Casualty has started writing fire on a participating basis in Washington with Gould & Gould as general agents. The company has been writing a participating WC policy for 25 years.

Varney of Hardware Dealers Mutual Fire. In the afternoon, with Donald A. Tripp of Illinois Mutual Fire as chairman, the credit report session will be conducted with the insurance representatives being Esther Hodge of Citizens Mutual of Wisconsin and Harry Holmes of Northwestern Mutual Fire, representing the insurance side. R. J. Elliott of American Manufacturers Mutual and R. D. Smith of Liberty Mutual Fire, will take up transportation coverages.

On the final day F. E. Binninger, Indiana Lumbermens Mutual will be chairman, as talks are given by William Dubocq, Merrimac Mutual Fire, Russell Quick, Indiana Lumbermens Mutual, and Gerry Seider, Badger Mutual, covering mercantile package policies. The meeting will conclude with a "quickie session" at which nine speakers will answer questions on as many subjects.

Alexander Resigning as Deputy Commissioner of Pa. to Join Blue Shield

Ralph H. Alexander, first deputy insurance commissioner of Pennsylvania for 16 years, has resigned effective March 1 to become assistant director of Medical Service Assn. of Pennsylvania, the state's Blue Shield plan.

Mr. Alexander has been active in affairs of National Assn. of Insurance Commissioners, serving on many of its committees.

Before entering state service he was an officer of Hoover & Diggs Co., Pittsburgh. He is a past president of that city's insurance club, is a former secretary-manager of Pittsburgh Assn. of Insurance Agents and is a graduate of Wharton school. His grandfather, father, son, uncle and cousins all have been in the business.

American Auto Plans to Issue 250,000 Shares

Stockholders of American Automobile will vote March 30 on a proposal to increase capital by means of selling 250,000 additional shares to stockholders at the rate of one new share for each six held. The date and terms are to be fixed by the directors.

If the plan is approved American Auto will have 1,750,000 shares.

Crashed Airliner Hull Valued at \$500,000

The twin-engined Trans-World Airlines plane that crashed Feb. 19 in mountains near Albuquerque, N. M., was valued at about a half million dollars and was covered by Associated Aviation Underwriters.

The Martin skyliner was carrying 13 passengers and three crew members, all of whom were killed, when it went down in a snowstorm.

Compulsory Bill in Wash.

Two compulsory automobile insurance bills have been introduced in the Washington legislature.

New Ind. Insurer Chartered

Farm & Home Ins. Co. of Indianapolis has received its charter. Phillip Meade is president. He is also president of Farm & Home Agency, which organized the company. The new insurer will specialize in non-can, A&H.

The Merryweather-Mitchell Co. of Spokane, operated by John Hoye, has been merged with the Spokane agency of Jones & Mitchell Co. which Mr. Hoye has joined.

Peerless Assets Up; Carrick Is Chairman, Orr Named President

Peerless Casualty has elected Dudley W. Orr, a Concord attorney, president succeeding R. C. Carrick, named chairman. Other promotions include E. E.



DUDLEY W. ORR

Newcombe of Keene secretary-comptroller and Montague Zink of New York treasurer. B. C. Carrick, vice-president and agency director, was added to the board.

Net premiums written in 1954 totaled \$10,452,894, underwriting gain was \$632,991 and investment income was \$523,747, with an unrealized gain of \$741,543. Assets at year-end reached a new high of \$26,860,577, while surplus to policyholders increased to \$10,377,361.

Highlights of the Week's News

Company... reports on 1954 results begin on	Page 14
Program for Eastern Agents Conference, March 21-22 at Baltimore is ready	Page 12
Frank R. Reese is elected president of Insurance Exchange of Houston	Page 22
Plans being made for midyear meeting of National Assn. of Mutual Insurance agents	Page 22
Dealers floaters are not inland marine, committed on interpretation rules	Page 8
Illinois field men discuss expansion of public relations work at midyear rally	Page 13
State Farm passes \$200 million in earned auto premiums	Page 7
Aetna Casualty auto accident cover is okayed in 18 states	Page 7
Allstate tells Washington department why its fire rates are lower	Page 9
Cyril S. Hart elected president of the Boston, Old Colony and Boston Indemnity	Page 1
Minnesota agents midyear rally draws 285 persons	Page 1
View unsatisfied judgment cover as A&H in Ohio	Page 1
National Bureau raises property damage liability to \$5,000 on most classes except auto	Page 1
Business is divided on bill requiring auto bodily injury coverage	Page 4
Missouri agents are divided over licensing bill	Page 4
Bituminous Casualty has 19% surplus gain	Page 4
Royal-Liverpool underwriting gain is \$10,618,183 in 1954	Page 2
Volume of Security-Connecticut group reaches record high	Page 1
Peerless Casualty assets up; new officers named	Page 2
Glen Falls group has earned premium gain	Page 23

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FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY
ORGANIZED 1855



GIRARD INSURANCE COMPANY OF PHILADELPHIA, PA.
ORGANIZED 1853



NATIONAL-BEN FRANKLIN INSURANCE COMPANY OF PITTSBURGH, PA.
ORGANIZED 1866



MILWAUKEE INSURANCE COMPANY OF MILWAUKEE, WIS.
ORGANIZED 1852



ROYAL GENERAL INSURANCE COMPANY OF CANADA
ORGANIZED 1906



THE METROPOLITAN CASUALTY INSURANCE COMPANY OF NEW YORK
ORGANIZED 1874



COMMERCIAL INSURANCE COMPANY OF NEWARK, N. J.
ORGANIZED 1909



LOYALTY GROUP

Home Office: TEN PARK PLACE, NEWARK 1, NEW JERSEY

Western Department: 120 South La Salle Street, Chicago 3, Ill

Pacific Department: 220 Bush Street, San Francisco 6, Calif

Southwestern Department: 912 Commerce St., Dallas 2, Tex

Canadian Departments: 800 Bay Street, Toronto 2, Ontario
535 Homer Street, Vancouver 3, B.C.

Foreign Departments: 102 Maiden Lane, New York 5, New York
206 Sansome St., San Francisco 4, Calif

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Business Divided on Bill Requiring Auto BI Coverage

Strong opposition to the New Jersey bill, assembly 118, which would require evidence of financial responsibility before the automobile could be registered, was expressed at a hearing in Trenton before the committee on business affairs of the legislature.

American Mutual Alliance appeared in favor of the measure, represented by Chase Smith of Kemper group, Paul Wise of the alliance, and Joseph Leonard of Liberty Mutual, among others. The alliance contends that the UJF was established with the idea that no more than 10% of motorists in the state would be uninsured but the figures show that this is closer to 20%. This will put a serious drain on the fund, which begins operation April 1, the alliance argues.

Those who appeared in opposition to the bill, which they described as "compulsory," included Robert N. Gilmore of Assn. of Casualty & Surety Cos., Barclay Shaw of National Assn. of Casualty & Surety Agents, who also represented New Jersey Assn. of Insurance Agents, Arthur Mertz of National Assn. of Independent Insurers, and Joseph McGrew, president New Jersey Chamber of Commerce. Mr. Shaw said the bill would introduce compulsory auto insurance and not even a good form of that.

Mr. Gilmore said that any bill which makes it a crime to operate an uninsured motor vehicle and which requires the applicant for a MV registration to certify that the car is insured is compulsory insurance. In New York last year, he added, someone suggested that a law making it a misdemeanor to own or operate an uninsured car was the answer to compulsory insurance. Overnight a proposal which for years had been recognized as compulsory insurance suddenly became a "misdemeanor bill" and a proposal which in the minds of some had nothing at all to do with compulsory.

Mr. Gilmore said the revival of interest in the old misdemeanor type legislation could be a form of compromise put forward by those weary of the anti compulsory fight. He said the objections of his companies to compulsory go far beyond the administrative hardships which the Massachusetts type compulsory imposes on companies and agents. They could not justifiably have opposed compulsory over the years on such relatively minor grounds. They oppose compulsory because it produces political pressures harmful to the public welfare, leads to less protection, threatens free enterprise, and leads to rigid rate control and state made rates.

As to the alliance argument that the percentage of automobiles in New Jersey that are insured is not high enough at 80% or thereabouts to make the UJF work, he said it is reasonable to anticipate an increase in the number of insured cars when the UJF law starts operating. Under that law the uninsured driver unable to post security would have license suspended, and it will remain suspended till he has repaid the fund what it has paid out as a result of his negligence.

Mr. Gilmore suggested for the legislature's consideration amending the present law, which places the cost of administering the safety responsibility

law on the insurers by imposing the cost on uninsured motorists. This would encourage more motorists to insure. The association also would support an impoundment law, he said, if it had some kind of official endorsement. This legislation has encouraged insurance.

Mo. Agents Divided Over Licensing Bill

JEFFERSON CITY—The differences in views of the out-state agencies in Missouri and those of the metropolitan areas, principally St. Louis, on a number of operational procedures, a matter more or less a hushed up at the annual meeting of the Missouri association last October in St. Louis, has broken into the open somewhat with the introduction of an agent licensing bill in the legislature. It has been learned that Insurance Board of St. Louis and Associated Insurance Agents & Brokers of St. Louis have advised members of the house that they are opposed to the agent and broker qualification and licensing measure that was introduced at the request of Missouri Assn. of Insurance Agents.

The St. Louis organizations, it has been learned, have advised house members that an agreement they had with sponsors of the licensing bureau to review it prior to submission with the St. Louis organizations was not complied with, and after reviewing the bill, the St. Louis groups are taking the position that their organizations "must strongly disapprove this bill, on behalf of all agents in our entire membership."

Opposition from the St. Louis agents and brokers is based on the contention that the new bill would be too favorable to reciprocals, cooperatives and mutuals with respect to licensing of solicitors, since it would take only a letter from an officer of such organization to get a license for an employee to solicit business, while a stock company agent or broker would be required to take the prescribed examination.

Another apparent bone of contention is the manner in which the bill would handle countersignature fees by branch offices and general agents, with the big city agencies and brokers feeling that as proposed, the bill "would be detrimental" to them.

New Hartford Accident St. Paul Superintendent

Hartford Accident has named A. B. Kinney superintendent of the agency department of its St. Paul, Minn., branch. He has been with the company there as a special agent since 1943.

New Officers Named By Public Service of Ind.

Kenneth G. Matchette, a director and a member of the executive committee of Public Service of Fort Wayne, has been elected president to replace Donald R. Mote, who resigned. John W. Shelby, vice-president and underwriting manager, was elected secretary, replacing R. T. McKune, also resigned. Mr. Shelby will continue as vice-president and underwriting manager.

Clarence Schneider, unit supervisor for American Associated at Chicago, was honored at a luncheon attended by managers and supervisors to mark his 25th anniversary. R. S. Chaloner, resident vice-president, presented him with a service pin and gold watch.

Warns Bond Agents of Dangers of Failing to Service Clients

Agents who have permitted their bond company representatives to cultivate and look after the needs of their principals to the exclusion of the agent have made a "tragic mistake," Joe J. Vincent, president of Texas Assn. of Insurance Agents, said in an address at the February meeting of Surety Assn. of Houston.

Mr. Vincent said the agents have been "the biggest fools to be found anywhere" by concerning themselves with other aspects of their business and letting the bonding people come in and "solicit" a client. In his own case, Mr. Vincent said he has three good contractors who bid work at the state highway department every month, but he has not gone to any lettings since he went into the agency business—he has left that to his bond company representatives.

Other agents have permitted their companies to maintain direct relationship with the principal because it is inconvenient to relay business information. Such "bad practices" have led the companies to feel they have the right to bypass the agent on any number of matters such as getting information about financial condition, status of work and other simple items of information that should be relayed through the agent.

This is not a reflection on the bond company representatives, Mr. Vincent declared. It is a pleasure to do business with them, but they have gotten into such a position with the principals that there is a question as to whom the principal is most loyal—the company bond man or the agent. The companies are entertaining contractors and have been working with them for years and it is no surprise that some principals begin to wonder what the agent does to warrant his claim to a bond commission. "Under certain conditions," Mr. Vincent remarked, "I think he has a justifiable right to raise that question. To me this indicates a deterioration of our successful system."

Just recently Mr. Vincent said he received a letter from a friend which stresses the danger in letting the company become closer to a principal on bond matters than the agent. A special agent who had been with one of Mr. Vincent's category, taking charge of contract bond company in the so-called "cut-rate" category, taking charge of contract bond production for that company in Texas. Texas cut-rate companies offer a participating plan on bonds, and the principals, familiar with the special agent and not with the agent, were interested in a 20% dividend. This is the result, Mr. Vincent people "beat the agent's time" with his own customers.

This attitude of direct relationship between bond company representatives and principal is illustrated by a visit to Mr. Vincent's town by one of his bond company officers who told Mr. Vincent he had been up to see a contractor, and when he was in town he would stop by and say hello to the agent too. The bond man considered the contractor as his client and the agent as incidental.

Florida Stock Issue

First official action of State Sen. Charley E. Johns when he assumed

his post as president of Presidential Ins. Co. of Jacksonville was to disclose a new stock issue of 100,000 shares. Initial offering of 150,000 shares in the new Florida casualty company has been sold.

Bituminous Casualty Has 19% Surplus Gain

Bituminous Casualty in 1954 had underwriting and investment income of \$1,382,992 before taxes, as compared with \$1,148,945 the preceding year. Premium income was \$20,322,642, yielding an underwriting gain of \$618,190 before taxes and \$296,731 after taxes. On investments, the income was \$650,580 before taxes and \$375,694 after.

Total taxes were \$591,265, and net income was \$791,726 as against \$632,311 in 1953.

Assets of Bituminous increased \$3,243,872 to \$39,261,063. Surplus to policyholders was up 19% to a total of \$8,462,229. The loss reserve as of Dec. 31 was \$20,341,869 and the unearned premiums amounted to \$9,353,409.

Commenting on the results, President F. B. White said the company had a successful year in view of the fact that it specializes in two of the most volatile types of coverage, workmen's compensation and liability. Much of the business is written in the mining, quarrying, construction and lumbering industries where there is a high accident severity rate. At one time the company wrote all its business on coal mines, but now that counts for less than 10% of the total.

Sathre Co-Manager on Coast with Rohrbach for Merchants of N. Y.

O. H. Sathre, assistant manager in the Pacific Coast department of Merchants Fire, New York, has been promoted to co-manager. Herbert F. Rohrbach, who has been Pacific Coast manager for many years, has reached retirement age. He has been with the company for 36 years and will continue in an advisory capacity as co-manager.

Mr. Sathre started with Merchants Fire on the Pacific Coast in 1929, and has been continuously in the underwriting and production department. He has done considerable traveling in the last few years.

All American Casualty Plans to Enter Life Field

All American Casualty of Chicago plans to enter the life insurance field within the next 12 months. The company now writes exclusively A&H and hospitalization.

Also announced at a meeting of directors were ground-breaking ceremonies for the company's new home office in suburban Park Ridge and approval of a 6% cash dividend to stockholders.

Last year was the best for All American, earnings reaching \$365,000 and premiums \$1,221,000. Chartered in 1950, but actually starting business in 1951, the company now has capital of \$2 million and surplus and voluntary contingency reserves of more than \$2,489,000.

Lewis Leaves Wis. Department

Carroll Lewis, for five years an examiner with the Wisconsin department, has joined Time of Milwaukee as manager of the benefit department.

Lloyds of New York has been licensed in California.

Hogg Opposes Trade Practice Confab on A&H Ads with FTC

NEW YORK—Addressing the National Assn. of Insurance Commissioners committee on federal trade commission jurisdiction, Robert L. Hogg, senior vice-president of Equitable Society, spoke out strongly against the idea of asking the federal trade commission to hold a trade practice conference with A&H insurers on A&H advertising. This course has been suggested by some in the industry as a way of averting bad publicity resulting from further FTC complaints and

Taylor Heads Atlantic Group's Ocean Marine

Dale E. Taylor, assistant general manager of the midwest division, will become vice-president of Atlantic companies effective upon completion of his transfer to New York in the near future.

He will be in charge of the ocean marine operations of the companies.

W. L. Plitt, vice-president, will continue to be in charge of ocean marine underwriting.



Dale E. Taylor

Tex. House Passes Bill to Regulate Insurance Stocks

AUSTIN—The Texas house, by a vote of 103 to 35, has passed a "full disclosure" insurance stock regulation proposal along the lines of the federal securities act.

The action was a victory for those who have been urging that the board of commissioners, rather than the securities commission, be given the assignment of insurance stock regulation. The bill requires those who expect to issue stock for sale to file a full disclosure statement about their operations and values, but does not permit any state agency to say whether or not the stock can be offered for sale.

The senate insurance committee has voted to send to a subcommittee another stock regulation measure, which is said to be favored by the governor. This bill simply removes from the securities act the sentence exempting insurers' securities from regulation and supervision by the securities commission.

The house insurance committee is making detailed studies of the bills to increase capital requirements of Texas companies, with action by the committee expected by the end of February.

There are about 15 bills to amend the workmen's compensation law, and a series of hearings will be held on these by the house judiciary committee.

Affiliated FM Report

Affiliated FM, the stock fire insurer of Factory Mutuals, in 1954 increased its assets to \$14,786,745, more than 100%, while net premiums in force at year-end increased from \$5,150,000 to more than \$14,150,000. Due to the hurricanes, the ratio of net losses to net earned premiums was about 50% after all reinsurance recoveries.

hearings, and particularly as a way of heading off a possible revision of public law 15 should litigation result in a defeat for the FTC on jurisdictional grounds.

Mr. Hogg said that while he might possibly change his views later, his present feeling is that the industry would be giving away something on its own initiative if it agreed to a trade practice conference. Such a conference could well be a "Roman holiday," he warned, for any crackpot who has an idea to expound can come in and give

his ideas on what he thinks should be in an advertising code.

Mr. Hogg said litigation might evenuate in the amendment of the federal trade commission act to specify that the FTC has jurisdiction over insurance advertising. But that at least would have the advantage of specifically saying what the FTC's jurisdiction was in this field over insurance.

Mr. Hogg's feeling is that any program of state legislation should not stop with "little fair trade practice" laws but that the states should also ex-

tend to advertising the concept contained in the unauthorized insurers service of process laws.

A decade ago this approach developed as a means of reaching companies for suits on claims where the insurer was not licensed in the insured's state. At the time the use of this approach on advertising was considered but it was thought best to first clear up questions of constitutionality on the unauthorized insurers service of process front, since the constitutionality questions would apply both to claims and advertising.



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The Agents of these Companies share with us pride in the fact that five of the Companies under Crum & Forster management are now in their second century.

THE NORTH RIVER INSURANCE CO.	Organized 1822	132 Years
UNITED STATES FIRE INSURANCE CO.	Organized 1824	130 Years
THE BRITISH AMERICA ASSURANCE CO.	Incorporated 1833	121 Years
WESTCHESTER FIRE INSURANCE CO.	Organized 1837	117 Years
THE WESTERN ASSURANCE COMPANY	Incorporated 1851	103 Years
		603 Years

OLD COMPANIES LIKE OLD FRIENDS WEAR WELL . . . Over a collective period of six centuries, these Companies have survived the trials of peace and war, prosperity and depression, inflation and deflation—and have profited by the experience. They have kept faith with Agents and Policyholders, mindful of the trust and confidence reposed in them. They are old in years but young in spirit and they have kept abreast of changing times and conditions, always adhering to sound underwriting principles. With each passing year, we have an increasing appreciation of the contribution which our Agents have made to the good name and reputation of the Companies.



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UNITED STATES FIRE INSURANCE CO.	Organized 1824	THE WESTERN ASSURANCE CO., U.S. Branch	Incorporated 1851
THE NORTH RIVER INSURANCE CO.	Organized 1822	THE BRITISH AMERICA ASSURANCE CO., U.S. Branch	Incorporated 1833
WESTCHESTER FIRE INSURANCE CO.	Organized 1837	SOUTHERN FIRE INSURANCE CO., Durham, N.C.	Incorporated 1923

WESTERN DEPT., FREEPORT, ILL. • PACIFIC DEPT., SAN FRANCISCO • SOUTHERN DEPT., ATLANTA • ALLEGHENY DEPT., PITTSBURGH • VIRGINIA, CAROLINA DEPT., DURHAM, N.C.

State Farm Passes \$200 Million in Auto Earned Premiums

State Farm Mutual Automobile Ins. Co. of Bloomington, Ill., had earned automobile insurance premiums last year of \$201,391,640, and becomes the first company ever to write more than \$200 million in automobile insurance.

The company estimates it is now insuring more than 3,300,000 vehicles.

Net premiums and membership fees written in 1954 by State Farm were \$214,376,779, a gain of more than \$23 million, or 12.1%. On an earned basis, the increase was more than \$28 million, and total earned premiums for all lines of State Farm were \$206,077,861.

The company showed an underwriting gain of \$25,536,433 and during the year reduced rates in 28 states.

Investment operations were satisfactory, producing an income of \$6,461,893.

The company concluded the year with assets of \$287,989,594, up \$47,815,580. The surplus to policyholders increased \$23,478,500 to total \$105,285,397.

Incurred losses in 1954 were \$99,186,476, and loss reserves on a case basis now total \$61,953,238. An additional voluntary liability loss reserve of \$13,930,000 and a reserve of \$22,047,202 for adjustment expenses were carried at the end of the year. Loss adjustment expenses incurred last year were \$34,022,875, while underwriting expenses were \$47,332,077. The unearned premium reserve as of Dec. 31 was \$60,200,383.

Calley & Clark, general agency at Huntington, W. Va., has moved from

the West Virginia building to modern quarters in the Keith-Albee Theatre building.

NYFIRO's Tillinghast Retires, Guenther Named Successor

Harry H. Tillinghast, secretary of the New York Fire Insurance Rating Org.'s Buffalo district, retired Feb. 21, the 35th anniversary of the date he joined the organization. He has spent the 35 years in that district.

He was succeeded by Paul B. Guenther, with the organization since 1939, who has been Albany district secretary. Named acting secretary there was Richard M. Kennedy, who has been chief inspector of the Albany general rating department. He joined the organization in 1950. New chief inspector at Albany is F. Ray Powers, who has been working on special assignments.

U. S. Asked to Underwrite

Portion of Atomic Risks

WASHINGTON—The government has been asked to underwrite a portion of the risk of atomic accidents in production of nuclear power by Paul W. McQuillen, legal committee chairman for Detroit Edison Co., member of a study group known as atomic power development associates, now working on plans to build a nuclear plant to produce electricity.

He said the 1954 atomic energy act appears to forbid the government to underwrite the risk but "it now seems unlikely that private industry will ever be able to underwrite the whole risk of atomic accidents, although it should be able to carry a substantial amount of the load."

Merwin C. McDonald has purchased the J. E. Burrow agency in Lyons Falls, N. Y. He has been associated with the agency the past year.

Aetna Casualty Auto Accident Cover Okayed in 18 States

A new coverage to provide financial protection for car owners and their families injured or killed in automobile accidents has been introduced by Aetna Casualty. It may be added to the standard automobile liability policy and provides, in addition to death benefits, fixed payments for loss of limbs or sight and for fractures and dislocation.

Known as automobile death and specific disability benefits, the new form is available in Alabama, California, Connecticut, Delaware, Kentucky, Maine, Maryland, Michigan, Montana, New York, Oregon, Rhode Island, South Carolina, Tennessee, Utah, Vermont, Washington, Wisconsin and District of Columbia.

Coverage will be available for maximum benefits of \$5,000 or \$10,000 at a cost of \$3 or \$6 for one person and \$2 or \$4 for each additional individual. In addition to a death benefit, the \$10,000 coverage includes loss of limb or sight benefits ranging from \$2,500 to \$10,000 and fracture and dislocation benefits up to \$350. It provides a fixed payment of \$50 for other hospital-confining injuries. When the maximum death benefit is \$5,000, other benefits are proportionately reduced.

Del. Md., D. C. Club Elects

James V. Tynan of Royal-Liverpool group has been elected president of Delaware, Maryland & D. C. Insurance Field Club. Other officers are Paul J. Mayer of North British, vice-president; R. J. Billingham of Phoenix Connecticut-group, secretary; and Wilfred R. Breck of Springfield group, treasurer.

Pennsylvania Mutuals Expanding Services; Thomas Finley New V.P.

Pennsylvania Federation of Mutuals has decided to reorganize and expand its operations and has named Thomas J. Finley Jr. executive vice-president to manage its activities. Mr. Finley will continue as assistant secretary of Perkiomen Mutual and on the board of Middle Department Assn. of Fire Underwriters.

The federation projects to be expanded are the presentation of its views on legislation in cooperation with other segments of the industry and its public relations and advertising service for members.

1955 Phone Directory for Detroit Published

The National Underwriter Co. has just published the 1955 edition of the Detroit Insurance Telephone Directory, in which are listed the numbers of persons and companies active in Detroit insurance. Copies may be ordered from the National Underwriter Co., 420 East 4th street, Cincinnati. The price is \$1.

McQuain Joins Atlas in O.

George McQuain has joined Atlas in the Ohio field. He was with Ohio Inspection Bureau for several years and has had five years of field experience in Ohio.

Palmer Joins Conn. Agency

Charles E. Palmer, who has been a field man of United States Aviation Insurance group, has joined Starkweather & Shepley, Providence general agency. He will head a new aviation department of the agency.

INTER-OCEAN REINSURANCE COMPANY

Cedar Rapids, Iowa

FINANCIAL STATEMENT AS OF DECEMBER 31, 1954

ASSETS

Cash in banks	\$ 1,159,257.96
United States Government bonds . . .	3,048,683.89
State, County and Municipal bonds . . .	6,067,892.09
Preferred stocks	508,605.00
Common stocks	2,395,569.00
Home office	68,713.40
Accrued interest	67,953.16
Premium balances (not over 90 days)	96,028.37
Total admitted assets	\$13,412,702.87

LIABILITIES

Unearned premiums	\$ 6,310,921.43
Reserve for losses	1,643,423.00
Reserve for adjustment expense . . .	86,452.83
Reserve for taxes	237,472.64
Reserve for commissions and other liabilities	199,728.90
Capital	\$1,000,000.00
Surplus	3,434,704.07
Voluntary reserve	500,000.00
Surplus to Policyholders	4,934,704.07
Total	\$13,412,702.87

Note: Bonds and stocks owned are valued in accordance with the requirements of the National Association of Insurance Commissioners. If bonds and stocks were valued at December 31, 1954 market quotations, the Admitted Assets would be \$13,437,274.47 and the Surplus to Policyholders \$4,959,275.67. Securities carried at \$1,000,000 in the above statement are deposited as required by law.

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*FIRE, THEFT AND COLLISION ON PRIVATE PASSENGER CARS, INCLUDING UNDER-AGE AND OVER-AGE DRIVERS

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*Write for rating manual and applications

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- GENERAL LIABILITY (ALL CLASSES)
- EXCESS LIABILITY (ALL CLASSES)
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- LONG HAUL, BUS, TAXICAB AND U-DRIVE, (PHYSICAL DAMAGE AND LIABILITY)

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Dealer Floater Not IM. Committee on Interpretation Rules

Floater covering several kinds of dealers, including merchandise owned by insured and all other property usual and incidental to the operation of insured's business anywhere within the U.S. and on insured's own premises, have been held not classifiable as marine or inland marine by the committee on interpretation of the new nationwide marine definition.

The ruling points out that the policies about which inquiry has been made to the committee cover insured's stock of merchandise and all his other stock or property except furniture or fixtures and certain other specified property.

The inquiries dealt with policies covering dealers of the following variety: household appliance, office machinery and supply, heating and air conditioning equipment, industrial machinery and tool, sporting goods, professional or scientific instrument, and marine supply.

The interpretation has been adopted by Alabama, Alaska, Arizona, Arkansas, Connecticut, Delaware, Idaho, Illinois, Indiana, Maine, Massachusetts, Michigan, Mississippi, Missouri, Nevada, New Hampshire, North Carolina, Oregon, Puerto Rico, Rhode Island, South Dakota, Utah, Washington, West Virginia and Wyoming. It was not adopted by Kentucky. It will be given great weight by California. Virginia approved it as advisory. Other states have not determined their action.

Marine Institute Elects Three New Directors

To fill vacancies on the board of American Institute of Marine Underwriters, George Inselman, president Marine Office of America; John W. Morrow, vice-president of Home, and James E. Rawling, U. S. marine manager of Phoenix of London group and the Norwich Union group have been elected directors.

Wendell Buck to Assist Insurer in Sales, PR Drive

Wendell Buck, New York City public relations consultant, has been retained by Eastern Casualty of New York to assist in an expanded sales promotion and public relations program. Principal emphasis is being placed on production of greater sales volume. Included in the program is a publicity campaign calling for more news material about the company.

All American Casualty of Chicago has declared a dividend of 6 cents

per share or a total of \$120,000. This is the initial distribution to stockholders.

Dewick Chosen Man of the Year in Boston

Frank A. Dewick, senior past president of Boston Board, has been selected man of the year by the board and will be honored at the 90th anniversary dinner of the board April 14 in Boston. He is senior member of Dewick & Flanders, general agency, and has been in insurance 60 years.

Ga. Legislation Reviewed

New bills filed in the Georgia assembly include one covering disposition of claims against insurance company deposits; another to reduce par value of insurance company stock; one permitting a mutual fire insurer to change to a stock company and a fourth permitting group insurance for county employees.

Reported out favorably by the house state of republic committee was a bill for fireman's pensions, to be derived partly from an additional 1% tax on fire, lightning and windstorm premiums.

Killed in the house insurance committee was a bill making a company liable for judgment and costs if it loses cross action under subrogation brought in the name of insured.

The senate passed a bill permitting cities and counties to insure against auto liability. It was reported favorably out of the house state of republic committee.

A compulsory automobile insurance bill has not been read the third time in the house but is still alive. A substitute bill is watered down to the provision that it shall be a misdemeanor not to carry the prescribed insurance limits.

Agency Has 75th Birthday

The James Johnston agency of Rochester held a 75th anniversary celebration at which president Austin F. Grab and other officers were re-elected. Guests included Walter W. Allen, vice-president of Home; Walter L. Falk, assistant U.S. manager Royal-Liverpool group; Alexander L. Ross, president Crum & Forster companies; James M. Kelly, vice-president Federal, and Richard Freeman, assistant vice-president North America.

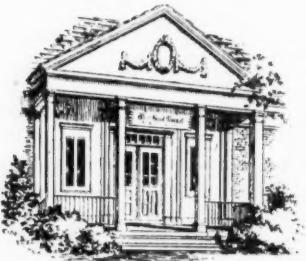
Firemen's Mutual Elects

Firemen's Mutual of Providence has named J. M. Hanley assistant vice-president; E. D. Shelley, assistant treasurer, and H. M. Macomb, assistant secretary and reelected all other officers and directors, including Carl A. Moses, president.

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WEST BEND, WISCONSIN



ESTABLISHED 1894

STANDARD—UNIFORM
NON-ASSESSABLE POLICIES

Chas. W. Walter
President

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"A" + EXCELLENT

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UNEXCELLED SERVICE
AN AGENCY COMPANY

Robert S. Barber
Secretary

PREFERRED RISKS
SPECIAL RATES

Allstate Tells Wash. Department Why Its Fire Rates Are Lower

A decision is expected April 5 or sooner from the Washington insurance department on the filing of Allstate to write dwelling fire business at approximately 20% below bureau rates. The hearing was held earlier this month before Commissioner Sullivan, who has repeatedly denied the company the use of its special filings.

At the hearing, Henry Moser, general counsel, contended the company is entitled to approval based on experience of all companies nationwide and in Washington. He was assisted by C. B. Kenney, senior vice-president, and L. G. McKnight, assistant secretary in charge of fire operations.

Mr. Moser said that nationwide fire figures, as well as those for Washington, show that Allstate could have been in the fire business in Washington for five years, at its claimed lower expense ratio, with a profit. He used the data published by the New York insurance department to estimate underwriting results of Allstate as against other stock companies, as follows (using an 80 cent dollar for Allstate):

Year	Stock Insurers' Gain %	Fire Gain %	Allstate Gain %
1949	11.31	5.33	
1950	10.10	7.92	
1951	5.90	4.65	
1952	8.50	5.13	
1953	7.20	2.78	

The Allstate fire commission is 15% the first year and 6½% on renewal, and the average estimate for five years, based on the estimated growth of the fire business, is 10.4%.

The department questioned at first the use of such tables, but agreed to use them "for whatever value they might be." Mr. Moser said the tables showed nationwide results, but the Washington experience was substantially better.

Mr. Moser said in the 10-year period, 1945-1954, inclusive, premiums of Allstate went from \$12,030,000 to \$209,000,000; capital increased from \$1 million to \$3 and surplus from \$6,053,000 to \$51 million.

Mr. McKnight mentioned that Allstate's fire filings have been approved in 29 states.

Another Allstate exhibit was the table of loss and expense ratios as filed with the New York department by stock fire companies for nationwide fire business. The commission expense in 1951 for these companies was 24.4%.

Proper Ribbons Described in Remington Rand Booklet

Remington Rand describes the selection of proper ribbons for typewriters, adders and calculators, tabulating machines and teletype and addressing machines in a new 6-page "pocket encyclopedia" which also explains the differences in silk, nylon and cotton ribbons.

The booklet contains a special insert sheet which delves into the proper selection and performances of carbon paper ribbons and special formula fabric ribbons for photographic processes and offset reproductions. Copies may be obtained at company sales offices or by writing Remington Rand, 315 Fourth avenue, New York 10.

American Dividend Up 5 Cents

American has declared a dividend of 65 cents, payable April 1 to stockholders of record March 1. This is five cents over the previous payment.

in 1952 it was 24.7% and in 1953 was 24.9%. Allstate's figures for the same years were 9.9%, 10.2% and 10.1%.

Board companies in Washington, it was contended, paid between 30 and 35% commission to agents and an overriding to general agents of between 5 and 16%. Participating companies, according to Allstate, paid 25% on dwelling business or 29.4%. Allstate has no contingent contracts, and has a number of economies in operation, which Mr. Kenney said include single retail credit reports for both fire and auto insurance, a single file folder, single card

for each insured, machine issuance of policies with no typewriting, etc.

Allstate omits the grading zones in the rating procedure and substitutes a rule regarding the proximity of the risk to hydrants or fire departments. Concrete block and hollow tile buildings are in the same category as brick, there is no penalty for lightning or lack of painting. Exposure charges are eliminated, and for EC Allstate takes a typical risk with medium protection and applies the rate to all risks in this category. Allstate uses a single loading rather than the same formula with

respect to merchandise and storage, applying the dwelling rate.

One girl in an Allstate office can handle three times as many dailies as the girl in a regular fire office, Mr. Moser said, because Allstate uses a special machine which combines the features of an adding machine and an Addressograph. Mr. Kenney said there are no agents' balances to contend with because premiums are paid in advance with the application. And Allstate further hopes to reduce billing by using one bill for most of the fire and automobile business.

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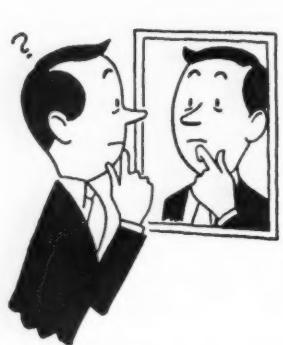
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Program Set for Miami Insurance Law Meeting

The program has been arranged for the annual Miami insurance law conference March 28-29 at Miami, sponsored by University of Miami, Coral Gables. Speakers will include Insurance Commissioners Larson of Florida and Navarre of Michigan, whose respective topics will be "The Insurance Department's Responsibility in the Regulation of That Business in the State of Florida" and "Supervision of Insurance."

Others will include Henry S. Moser, vice-president of Allstate, "Competition in Insurance—Yesterday, Today and Tomorrow"; Joseph P. Craugh, vice-president of Utica Mutual, "The Problem of the Financially Irresponsible Motorist"; John P. Hanna, managing director of H&A Underwriters Conference, "Accident & Health Insurance Development: Competition vs. Law"; John M. Breen, vice-president of Lumbermens Mutual Casualty, "Agency as Related to the Insurance Business"; and Floyd E. Frazier, Vanderbilt University, director of the industrial division National Assn. of Mutual Casualty Cos., "Unsolved Factors in Claims for Loss of Hearing".

Speakers Club Elects I. H. Aas in Minnesota

Ivar H. Aas, special agent for Home, was elected president of the Minnesota Insurance Speakers Club at its annual meeting in Minneapolis. Other officers elected were M. A. Warner Jr., special agent, Northwestern F. & M.; vice-president and Kenneth Hawkins, special agent, Crum & Forster, secretary-treasurer.

Several Bills Affecting Insurance in Montana

Among the bills before the Montana legislature is one (which has passed the house) to permit actions on tort claims against the state to the extent of \$2,500; another bill, which has the recommendation of the house committee as a whole, requires all casualty policies on state-owned properties or on state risks to include an agreement waiving the right to raise a defense of sovereign immunity, and another one increases medical payment schedules and the duration of payments un-

der workmen's compensation. The department has a bill correcting inadequacies in the fire and inland marine section of the insurance code, and it is endorsed by the agents.

Several bills have been killed, and among these was the one to authorize counties, cities and towns to enter into hospitalization, medical, health, accident and/or group life contracts for employees and officers.

Don't Have to Tell Amount of Liability Cover Before Trial, Minn. Court Decides

ST. PAUL—In a split decision last week the Minnesota supreme court held a person involved in an automobile accident does not have to reveal the amount of liability insurance he carries before the suit goes to court. The majority admitted the trial courts of Minnesota "are divided on the question" and Justice Thomas Gallagher wrote a dissenting opinion.

The majority opinion held that the trial judge was in error in ordering an excavation company to produce its insurance policies which the attorneys for the plaintiff had asked to see before they decided whether to request an out-of-court settlement or take the case to trial.

The majority said the amount of insurance may be revealed in some cases where it would have "evidence value" but not when the sole purpose is to determine whether it would be advisable to settle out of court.

Congested court calendars should not prompt trial courts to forget the limitations of the discovery rules in efforts to expedite or dispose of law suits without trial, the majority held.

In his dissent Justice Gallagher said discovery of insurance should be permitted in all lawsuits to assure "just, speedy and inexpensive determination of every action."

McCarthy Elected to Head New Surety Association

LOS ANGELES—J. Thornton McCarthy of Hartford Accident has been elected president of the newly organized Junior Surety Assn. of Southern California. Other officers are Dale Jensen, Glens Falls Indemnity, vice-president; V. W. Steinberger, Continental Casualty, secretary-treasurer, and Ralph Spencer of Fireman's Fund and Thomas Bourke of U. S. F. & G., commissioners.

Suggests R. I. Claimants Confer with Adjusters

Rhode Island Attorney General Powers has suggested that a group of Warwick hurricane victims ask insurance adjusters to explain why some storm damage claims are unsettled.

At a meeting between a group from Warwick, Mr. Powers, his assistant, Edward F. J. Dwyer, and Insurance Commissioner Bisson, the attorney general said he could not compel companies to pay disputed claims but promised action against those offering percentage settlements "as a favor" or asking for "a break" in undisputed claims.

State Sen. Lewis has introduced a bill which would compel insurance adjusters to obtain a license at a cost of \$5 for residents and \$50 for non-residents. Unlicensed adjusters would face fines of \$100 to \$500 and their companies would be suspended from doing business in the state.

National American of Omaha has declared a dividend of \$1.50 on its 20,000 shares, payable March 1 to stock of record Feb. 15. This is the first dividend distribution in many years, since the objective has been to develop an impressive surplus. At Dec. 31, 1954, net surplus was \$1,518,737, an increase of better than \$300,000. Capital is \$1 million.

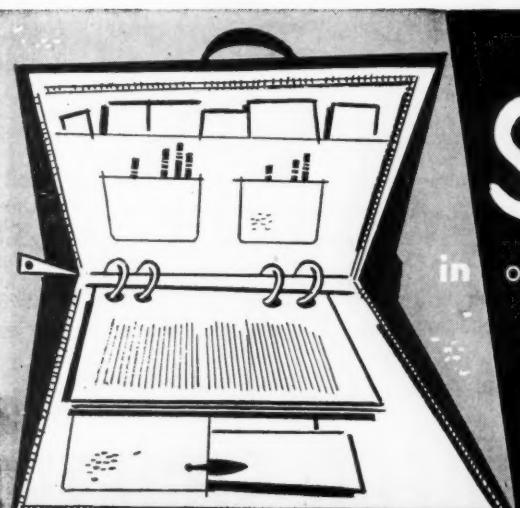
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Towed Racer Not a 'Trailer,' Tennessee Court Holds

A "hot rod" racing automobile was held not to be a "trailer" within the meaning of the exclusion in the automobile liability policy in Blue Ridge Insurance Co. vs. Haun, 5 C.C.H. (Auto 2nd.) 57, decided by Tennessee court of appeals. This decision touches a subject which has aroused considerable discussion among insurance men, because of the common practice of towing these racers to sporting events.

The automobile which did the towing was covered by liability insurance under standard provisions, while the racer was uninsured. The tow bar broke as the automobile and the racer were going along the road. The racer swung into the opposite traffic lane and collided with an approaching automobile, killing one passenger and injuring others.

Hickey Succeeds Mehorter As N. Y. Agency President

Samuel A. Mehorter has retired as president of New York City agency of McDaniel & Co., but will continue as chairman. He has been with the agency 12 years.

Named president was John D. Hickey, who has been vice-president. He and Mr. Mehorter left Home in 1943 to join McDaniel & Co. as partners.

Mr. Mehorter's son, Robert, and Raymond Andreasen were named vice-presidents. Robert Mehorter, with the agency since 1951, is in charge of production and the loss department. Mr. Andreasen, who was elevated from assistant secretary, is in charge of all underwriting. He has been with the agency since 1946. Before the second world war he was with the Chester M. Cloud agency which eventually became part of the McDaniel & Co. agency.

Detroit Buyers See Film

Frazier Wilson, insurance manager of United Air Lines, presented United's colored film, "Career," at the February meeting of Insurance Buyers Assn. of Detroit. The film is a dramatization of the air line's employee benefit plan.

Ironwood Agents Elect Reid

Thomas Reid Sr. was elected president of Ironwood, Mich., Assn. of Insurance Agents at the annual meeting. W. J. Huss is vice-president, Mrs. Margaret Holmberg is secretary and Henry J. Lillquist is treasurer.

Louis Lieberthal reported on plans for the convention of Upper Peninsula Assn. of Insurance Agents scheduled for Land O'Lakes, Wis., June 24-25.

Harleysville Names Andress

Harleysville Mutual Casualty has appointed Thomas J. Andress, in the agency department since 1939, safety director with responsibility for guiding all safety engineering operations of the company.

Hudson County, N. J. I-Day

Hudson County (N.J.) Assn. of Insurance Agents will hold its annual Insurance Day March 15 at the Hotel Plaza, Jersey City, with personal property floater the subject.

State Agent William A. Beckham of Atlanta of Great American, recently presented a sterling silver pitcher to S. V. Conyers of The Dublin (Ga.) agency, in recognition of 25 years of continuous representation of the company.

Blue Ridge denied coverage, under the exclusion in the policy of coverage while the automobile "is used for the towing of any trailer owned or hired by the insured and not covered by like insurance in the company."

Affirming a lower court judgment, the appeals court held that a trailer is a vehicle without motive power and that the fact that the racer was being towed did not convert it into a trailer, thus requiring Blue Ridge to provide coverage, even though the automobile described in the liability policy did

not actually collide with the third automobile.

American Casualty Names Hafer Assistant V-P

Jack C. Hafer has been promoted from assistant secretary to assistant vice-president of American Casualty.

Seaboard F & M Dividend Up

Seaboard F. & M. has declared a dividend of 45 cents payable Feb. 28 to stockholders of Feb. 18. This compares to last February's semi-annual divi-

dend of 35 cents. The November dividend was 25 cents.

Joseph A. Wicker, claim attorney at Indianapolis of Hartford Accident, is celebrating his 25th anniversary with the company. He joined the company in 1930 as an adjuster and has also served as claim manager at Indianapolis. He is a past president of Indianapolis Casualty Claim Managers Council and Indiana Casualty Adjusters Assn.

Insurance Women of Seattle held annual Bosses Night recently. Richard E. Watson of the Seattle police department spoke on traffic safety at the January meeting.

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Proposed Minnesota Fire Form Opposition Heard

ST. PAUL—The first hearing on a proposed new Minnesota fire policy to take the place of the present standard form was held by the senate insurance committee Feb. 14 with opposition presented by A. Herbert Nelson, former commissioner. Mr. Nelson said the new policy being offered is a watered-down version of what is needed, and asserted "a local insurance dynasty, consisting of a mere handful of men," is blocking adoption of an adequate form. "I have been told that a legislative bill which would have secured benefits for all Minnesotans already has been killed before it was presented to the legislature and that a watered-down version has been substituted in its place." He claimed the bill under consideration would not give the companies any defense against fraud.

100 Turn Out for Michigan Rally at Grand Rapids

About 100 attended the business session and initiation of Michigan Blue Goose at Grand Rapids recently. The meeting was preceded in the morning by a gathering of Michigan Fire Underwriters Assn. at which John Wasmuth of Michigan Inspection Bureau discussed current problems. C. C. Luppenlitz, Crum & Forster, president of the field club, presided, and Donald Cameron, North British, served as

chairman at a public relations luncheon.

MLG Casey Kingman, Standard Accident, conducted the Blue Goose initiation in the afternoon. Banquet guests included Commissioner Navarre of Michigan and Waldo O. Hildebrand, secretary-manager of Michigan Assn. of Insurance Agents.

F. Damon Row, state agent of Springfield F. & M., was awarded a Blue Goose life membership certificate.

Central Mutual's 1954 Statement Shows a Gain of 6% in Premium Volume

Central Mutual of Van Wert had net income in 1954 of \$4,196,019. Auto physical damage premiums were down 14%, but fire, EC, glass, burglary and inland marine were up, and total premiums were \$20,439,698, an increase of more than 6%. Investment income was more than \$1 million for the first time.

The company closed the year with assets of \$40,818,058, an increase of more than \$4 million, and surplus was up more than \$500,000 to total \$12,124,351.

Adjusters Hear Doctor

Dr. Leo J. Aldestin talked on the importance of neurological examination in head injuries at a meeting in Los Angeles of the Casualty Insurance Adjusters Assn. of Southern California. The association will hold a dinner dance April 18.

Card for Eastern Agents Conference Arranged

Better service through increased knowledge will be the theme of Eastern Agents Conference to be held at Lord Baltimore Hotel, Baltimore, March 21-22.

John J. Maguire of Philadelphia, a conference vice-chairman, will preside over an educational meeting March 21. Speakers will be Robert E. Brown Jr., assistant manager of publicity and advertising Aetna Life affiliated companies, who will talk on how advertising can help to meet competition; Donald B. Sherwood, assistant general manager of National Board, who will explain the effect of hurricane losses on the industry, and Archie M. Slawsby of Nashua, N. H., National association executive committee member, whose topic will be "Carry the War to Direct Writers."

A similar session will be featured at the morning meeting on March 22 with the following speakers: J. R. McWilliams, assistant manager of automobile division of National Bureau, who will discuss meeting direct writer competition; Elmer J. Hoy, secretary of Fidelity & Casualty, who will talk on comprehensive general liability insurance, and Hugh D. Combs, executive vice-president of U.S.F.&G., whose topic will be casualty losses.

Recent developments and techniques

of the Los Angeles county fire department were discussed by its chief engineer, Keith Klinger, at a meeting of Southern California Fire Underwriters Assn. in Los Angeles.

Morgan Joins W. E. Lebby as Brokerage Manager

Harold Morgan has joined W. E. Lebby, California state manager for Massachusetts Indemnity, as brokerage manager. He succeeds John C. Morgart, who has been transferred to Seattle as Washington manager.

Mr. Morgan has been in the life insurance business since 1916, starting at Salt Lake City. He moved to Los Angeles in 1921 as an assistant cashier and later was cashier at Spokane and Los Angeles. He has been brokerage manager for a life company at Los Angeles since 1935.

Mr. Lebby's organization was number one in total business written in 1954 by all agencies of Massachusetts Indemnity. He has led all agencies of the company in 17 of the 20 years he has been in operation, and in 1954 also had the distinction that his agency broke all records of annual agency production.

RBH Names R. B. Mahan

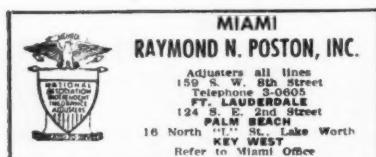
Robert B. Mahan has been appointed manager of the casualty department for Rollins Burdick Hunter at Chicago. Starting with Marsh & McLennan in 1928, Mr. Mahan has had extensive experience in the insurance brokerage field.

A INDEPENDENT ADJUSTERS A

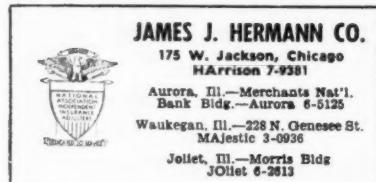
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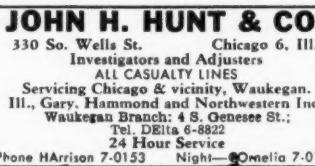
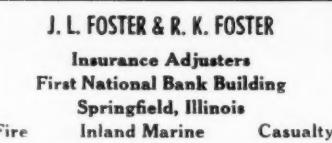
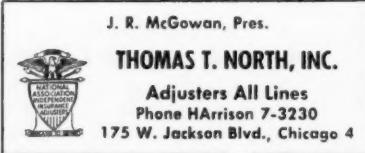
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ILLINOIS



ILLINOIS (Cont.)

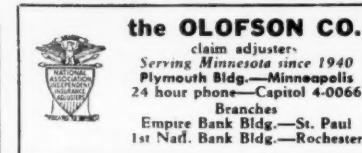
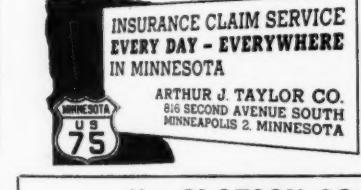


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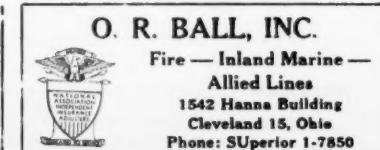
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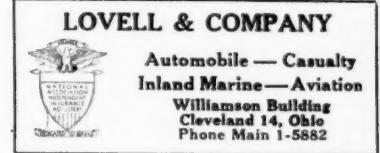
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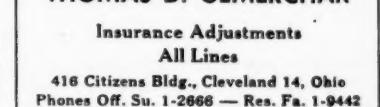
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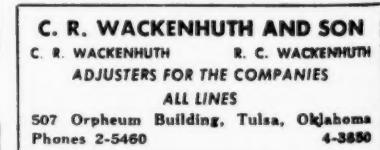
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WEAVER, PETTENGILL REVIEW PROGRESS

Lack of Experience Data Big Problem in Extending Group A&H Cover to Pensioners

Providing coverage under a group A & H program for retired employees and their dependents is one of the most experimental areas of the insurance business today, according to A. G. Weaver of John Hancock Mutual and D. W. Pettengill of Aetna Life, who considered this problem at the joint meeting of Bureau of A & H Underwriters and H & A Underwriters Conference in Chicago.

It was agreed the most perplexing problem facing insurers is the lack of statistics on which to base the cost of this coverage. Not much of this business has been written, and those plans in existence are of an experimental nature and not sufficiently large nor in force long enough to develop adequate statistical data.

Mr. Weaver pointed out most employers can expect a gradual increase in the number of their pensioners. In a booklet prepared by John Hancock dealing with the problem, it is shown how a hypothetical company, with no pensioners now insured, under its plan can expect the size of the future retired group to go to more than 13% of the number of active employees within 30 years. Continued improvement in life expectancy due to better living standards and medical treatment will result in an even higher proportion of retired lines.

Mr. Weaver said the average hospital claim cost for the over 65 group under the insured plan may be over two or three times as great as for the active employee group, resulting from both increased frequency of hospitalization and higher average claim payments. While there does not seem to be a corresponding increase in frequency of surgery for those over 65, he said there is a significant rise in claim costs since more serious operations usually are involved.

The problem of reduced benefits for hospital, surgical and medical expenses is more complicated than that for group life, Mr. Weaver said. Benefits under a group life plan on retirement usually are reduced to a flat dollar amount or by a flat percentage. Some of the benefit modifications he suggested for group A & H programs include:

(1) A lifetime limit providing that hospital and surgical expense benefits would continue after retirement, subject to an over-all dollar limit for all claims. If the lifetime limit selected is \$500, the annual claim cost to the pensioner might be double that for the employee.

(2) An annual limit providing that hospital and surgical expense benefits would continue after retirement, subject to an over-all dollar limit for all claims incurred in any 12 consecutive months. If the annual limit is the max-

imum amount applicable to any one disability or surgical operation, the annual claim cost for the pensioner might be two or three times that for the employee.

(3) Coinsurance providing a fixed percentage of the benefits payable to employees. If a figure of 50% is used without a lifetime or annual limit, the annual claim cost might be double that for employee.

(4.) A deductible whereby the first \$50 or \$100 of expense for disability is paid by the pensioner. This approach is used in the major medical expense coverage in conjunction with coinsurance. Such a combination of coinsurance and a deductible may prove eventually to be the most satisfactory solution for group A & H upon retired lives. The annual claim cost with 75% coinsurance and \$100 deductible might be double that for the employee.

Mr. Weaver said it is the responsibility of the insurance business to acquaint present and prospective policyholders with the cost problems involved in extending group insurance benefits to retired lives and to suggest sound financing methods. The simplest and most common approach, the pay-as-you-go plan, has the disadvantage that premiums increase as more employees retire and those already retired grow older.

Having the active employee buy small units of paid-up insurance, supplemented by employer-purchased protection to provide scheduled amounts of insurance, has been a method used extensively for group life, the speaker said. Insurers, however, hesitate to make the long-term guarantees involved in this method with respect to group A & H.

Mr. Weaver said the actuarial value at retirement also could be accumulated through the purchase of group level premium insurance paid up at 65 or some other convenient age. This method is used for group life, but he said it does not appear feasible for other coverages. Presently it has the disadvantage that employer contributions for permanent life insurance are considered as taxable employee income. Under another method at retirement single premium paid-up insurance could be purchased for each eligible employee. This method would normally preclude any employee contribution and also involves a tax disadvantage.

The employer also could set aside the cost of the group benefits for pensioners in the form of an unallocated fund administered by the insurance company, Mr. Weaver noted. This fund could probably be handled as a special policy reserve, with contributions to it coming in as premiums. The size of the fund would be determined

by actuarial estimates of the future claim payments on pensioners. This method has the advantages that no guarantees are involved by either the employer or the insurance company, the basis of computation can be changed as more extensive experience statistics are developed, and contributions to the fund can be geared to the experience under the policy.

Mr. Weaver observed that group insurance for retired lives always should be considered in relation to the overall employee retirement program. While the retiring employee usually wants to continue some of his group benefits, he is primarily interested in adequate income during retirement. The employer must weigh carefully how this can be achieved in the most effective manner. In many cases the employer will find that in terms of cost and employee morale modest amounts of group insurance for retired lives are preferable to a corresponding increase in cash pensions.

Mr. Pettengill said that it is his company's belief employers should not spend money on continuation of frill benefits, such as supplementary accident and polio. Neither does it recommend continuation of diagnostic x-ray and laboratory expense benefits and medical expense benefits—other than the in-hospital only coverage—because these are subject to a substantial degree of over-utilization by pensioners.

Employers also are urged to put a lifetime limit on the amount of benefits payable, Mr. Pettengill said. For

Outstanding Field Men and Agent in Oklahoma to Receive Awards

Casualty & Surety Assn. of Oklahoma City will give away three engraved wrist watches to outstanding field men and one agent at the annual convention of Oklahoma Assn. of Insurance Agents May 13-14. Awards will be given to the outstanding fire field men, outstanding casualty field men and the outstanding local agent. The field men winners will be determined by a poll of agents and the local agents by a vote of field men.

ease of administration, it is recommended there be a single lifetime maximum applicable to all coverages combined and on a per family basis. The alternative is a separate lifetime limit for each coverage and each individual insured, though this method has the disadvantage of eventually involving fractional and exhausted coverages.

Considering costs, Mr. Pettengill said there is no doubt but what a non-contributory pension plan is highly desirable from a purely administrative point of view. He said it is his firm belief, however, that every group A & H plan should require some contribution from employees in order that they may have an interest in keeping the plan free of abuse.

On the other hand, he said, the practical problem faced today is a demand for pensioner-pay-all plans. He believes this would result in a cost so high that the plan would be ruined.

(CONTINUED ON PAGE 22)



Hedenberg-MacBean agency of Cranford, N. J. has opened a drive-in insurance agency at 126 South avenue, East, believed to be the first of its kind in the country. Shown here are, from the left, Fred P. Anderson, mayor of Cranford, Roy H. MacBean, president of the agency, Arthur D. Warner, bookkeeper-cashier, and Edward L. Hedenberg, agency vice-president. The new building with a flush-

type drive-in window, is of brick, limestone and glass block. The structure is completely air conditioned and has three private offices in addition to the large open office ground floor area. The drive-in window is for the convenience of clients who wish to pay premiums or transact minor matters and the agency also has a parking lot for patrons with more detailed transactions.

Companies Report on 1954 Results

Surplus in the following company reports refers to surplus to policyholders.

Allied Mutual Casualty, Des Moines—Assets, \$10,811,671, incr., \$1,299,202; loss res., \$2,292,025; unearned prem., \$3,530,733; guaranty fund, \$500,000, surplus, \$3,712,405, incr., \$702,839.

	Premiums Earned	Losses Incurred
Fire	\$11,331	1,311
Extended coverage	6,126	2,393
Workmen's comp.	633,872	343,022
Liability (not auto)	583,794	256,304
Auto liability	2,143,095	1,193,934
Auto PDL	1,668,176	600,922
Auto phys. dam.	2,484,788	1,085,925
P.D. (not auto)	87,457	22,310
Glass	22,562	6,698
Burglary, theft	36,678	12,316
Catastrophe and casualty	19,781	59,258
Total	7,697,160	3,584,393

	Premiums Earned	Losses Incurred
American Automobile	Assets, \$91,434,047, incr., \$5,735,972; loss res., \$19,848,237; unearned prem., \$26,377,347; capital, \$3,000,000; surplus, \$32,818,749, incr., \$2,238,452.	
Accident	2,589	407
Group A. & H.	216,487	71,630
Workmen's comp.	5,520,701	2,727,224
Liability (not auto)	4,051,164	1,052,422
Auto liability	22,001,549	9,853,154
Auto PDL	12,749,706	5,453,324
Auto phys. dam.	1,422,177	541,802
P.D. (not auto)	1,203,566	149,475
Fidelity	404,637	151,927
Surety	829,974	446,962
Glass	502,886	201,333
Burglary, theft	1,271,004	465,191
Total	50,181,440	21,114,862

American Automobile Fire—Assets, \$25,132,-635, incr., \$2,946,664; loss res., \$980,826; un-

earned prem., \$12,389,671; capital, \$1,200,000; surplus, \$10,428,956, incr., \$1,454,489.

	Premiums Earned	Losses Incurred
Fire	478,231	174,845
Extended coverage	287,218	175,609
Sprinkler and water dam.	1,110	
Expl. riot, civil comm.	175	
Earthquake	1,787	
Inland marine	1,101,590	562,703
Auto phys. dam.	14,095,918	4,911,813
Comprehensive EC	135,909	75,654
Total	16,102,017	5,900,624

	Premiums Earned	Losses Incurred
Fire	622,167	297,901
Liability (not auto)	522,585	351,569
Auto liability	1,663,843	974,352
Auto PDL	857,939	401,140
Auto phys. dam.	13,308	5,860
Total	4,109,956	2,206,938

American Fidelity, Manchester—Assets, \$6,488,371, incr., \$954,639; loss res., \$2,046,162; un-

earned prem., \$1,878,908; capital, \$1,000,000; surplus, \$1,924,705, incr., \$328,356.

	Premiums Earned	Losses Incurred
Accident	683	133
Health	64	
Workmen's Comp.	622,167	297,901
Liability (not auto)	522,585	351,569
Auto liability	1,663,843	974,352
Auto PDL	857,939	401,140
Auto phys. dam.	13,308	5,860
Total	4,109,956	2,206,938

	Premiums Earned	Losses Incurred
Associated Indemnity, St. Louis	Assets, \$19,720,913, decr., \$572,541; loss res., \$5,263,364; un-	

earned prem., \$860,296; capital, \$1,000,000; sur-

plus, \$11,015,562, incr., \$1,751,008.

	Premiums Earned	Losses Incurred
Hospital & med. exp.	36,945	12,263
Group A. & H.	3,539,031	2,732,159
Workmen's comp.	2,728,294	1,241,410
Liability (not auto)	385,083	—19,229
Auto liability	200,320	36,360

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	Premiums Earned	Losses Incurred
Fire	3,284,039	1,388,680
Extended coverage	1,157,158	1,073,114
Surety	113,067	75,497
Glass	47,697	21,425
Burglary, theft	80,836	22,569
Total	4,109,956	2,206,938

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774,787	
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20,511	
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361,218	
263,938	
7,877	
6,289	
2,074	
1,693,025	
365,596,	
earned	
surplus,	
104,363	
24,010	
175,967	
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499,119,	
156,300	
61,103	
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430	

PREVENTIONISTS ELECT**Illinois Field Men Hold Midyear Rally, to Expand PR Work**

SPRINGFIELD, Ill.—Illinois Fire Underwriters Assn., which in the past few years has greatly broadened its public relations program, laid the groundwork at its midyear meeting here last week for further expansion of such activity. A by-laws amendment was proposed that would include among elective officers a 2nd vice-president whose duties would be principally in the public relations area. He would assist the association vice-president who automatically is chairman of the public relations committee.

In presenting the proposal, Arthur L. Corey, Travelers, observed it is becoming increasingly apparent public relations is the most important aspect of IFUA work. He said it encompasses the duties of all committees and the officers. The public relations program now is at the point where the committee chairman is in need of assistance if further improvement is to be made. Delegating responsibility specifically to an association officer, who also automatically would serve as vice-chairman of the public relations committee, would pave the way for the broadened program contemplated, he said.

Edgar Taylor, Loyalty group, association president, announced the annual meeting will be held at Nippersink Manor Resort, Genoa City, Wis., June 14-15.

Meeting at the same time Illinois Fire Prevention Assn. elected Harold R. Cannon, Home, president. He succeeds Earl H. Hazen, North British. R. A. Peterson, Phoenix of Connecticut, was named executive vice-president, and J. D. Streich, St. Paul F. & M., vice-president. Ross Harmon, retired Aetna field man, continues as secretary.

Illinois Blue Goose also held its mid-year meeting. David C. Girardot, Western Adjustment, MLG, presided over an initiation ceremony at which 11 goslings made their first swim.

Mr. Hazen reported the town inspection program, stepped up during the year, gained a greater amount of favorable publicity than ever before. Awards to newspapers and radio and television stations under the National Board fire prevention program served as helpful vehicles in gaining publicity at the local level, he said. Mr. Cannon said several town inspections already have been arranged for the coming year, the first to be held at Carmi, Feb. 24.

Committee reports indicated association activity is at a new high on almost all fronts. C. J. Erickson, Crum & Forster, reporting for the catastrophe and publicity committee, said great headway has been made in establishing in Illinois the National Board catastrophe procedure. The program is being integrated with local groups on a definite assignment basis.

Reporting for the loss committee, R. E. Fromel, Crum & Forster, said there is a feeling among some agents that they should be compensated for adjusting losses under \$100. Noting the committee has taken the opposite view, he said such payments could add greatly to company claim expense.

Recapping some of the public relations activities, Frank L. Macleod, American, association vice-president, stated IFUA has made great progress and now ranks third among field men's groups in Western Underwriters Assn.

territory in number of appearances by members before the public. He reported a record number of films in the IFUA library and added that the speakers' bureau roster has been enlarged.

Several IFUA members are scheduled to conduct the short insurance course at the University of Illinois sponsored by Illinois Assn. of Insurance Agents, Mr. Macleod stated. The field men also will give the agents an assist in conducting a sales caravan the second and third weeks in May.

Edward J. Dirksen, executive man-

ager of the agent's association, elaborated on the sales caravan program and also thanked the field men for the contribution they have made to IAIA activity. He also introduced his new assistant, Kevin Burke. Guest speakers were James U. Cullen, supervisor of the general services division of the Illinois insurance department, and Robert Catwell of Underwriters Salvage.

Mr. Cullen scored a practice of some agents which he said accounts for a large proportion of complaints received by the department. Many

complaints are inspired by a competing agent who tells the policyholder the loss would have been paid in full had his company been the insurer. The agent encourages the policyholder to solicit insurance department help.

Mr. Cullen averred such an agent does the entire industry a disservice. Most often the department finds that the insurer's treatment of the claim was just, and consequently the complainant is angry with the industry. Mr. Catwell described a new after fire odor control service now available through Underwriters Salvage.

WILMINGTON WAREHOUSING CO. protects its property *Automatically....* gets better FIRE and BURGLARY PROTECTION and

American District Telegraph Company:
At 6:01 p.m., March 10, 1954, a fire started in our men's locker room and was immediately reported automatically to the fire department. Though our sprinkler system had the fire practically under control when the engines arrived, your waterflow alarm service notified the fire department in time to prevent excessive water damage.

On the night of September 15, 1954, ADT again proved its value when two strangers were caught inside the building.

Besides the above efficient service, we save \$3,150 a year over the cost of protection we formerly maintained. We want you to know that we appreciate this efficient service.

WILMINGTON WAREHOUSING CO.
Harry E. Fischer
Harry E. Fischer, Mgr.

SAVES
\$3,150
A YEAR



Twice within six months, officials of the Wilmington Warehousing Co. experienced, first-hand, the all-round effectiveness of ADT Automatic Protection Services.

The warehouse is protected by a combination of ADT Central Station Sprinkler Supervisory and Waterflow Alarm and ADT Burglar Alarm Services. Manager Harry E. Fischer's endorsement is typical of the satisfaction expressed by thousands of business executives from coast to coast who are obtaining better protection at lower cost through complete ADT Automatic Protection.

Whether your premises are new or old, sprinklered or unsprinklered, the appropriate ADT Fire Alarm Service will detect fire and notify the fire de-

partment automatically. ADT Burglar Alarm Service will automatically summon police when burglars attack. ADT Heating and Industrial Process Supervision will automatically detect and report other abnormal conditions.

ADT safeguards, electrically, many billions of dollars' worth of tangible and intangible assets owned by 57,000 subscribers in more than 1,600 municipalities. An ADT specialist will be glad to show you how combinations of automatic services can protect your property, profits and employees' jobs by minimizing fire and burglary losses.

Call our local sales office if we are listed in your phone book; or write to our Executive Offices.

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We Believe in the American Agency System!

Much has been said recently about the fate of the American Agency System. We believe that it has a fundamental place in our insurance economy. We believe it will survive. We believe our agents are capable of convincing the public of its value.

We believe that our Group is one of the best equipped to assist agents in convincing the public of the value of their services.

In the Royal-Liverpool Insurance Group—

YOU HAVE fieldmen, all of whom are multiple line service graduates. They can be of valuable assistance to you, and are anxious to help whenever and wherever you need them.

YOU HAVE thoroughly trained Aviation, Brokerage, Foreign, General Cover, Marine, Special Service, and Public Utility staffs at your disposal through our fieldmen. These facilities are in addition to the usual Claims, Loss Prevention and Engineering, and Payroll Audit services.

YOU HAVE new and effective selling aids to help you boost sales. These selling aids and techniques are constantly being expanded and revised to keep up with the latest trends and your needs.

YOU HAVE proven, money-saving formulas on modern agency management through an Agency Systems Department which has sparked over 3000 agencies to better operation and production.

YOU HAVE educational facilities in our Agents' School in New York, a most highly regarded source of insurance training.

YOU HAVE an extension of these educational facilities in our insurance correspondence course, which has been called "the best in the business" and has graduated over 2600 producers.

YOU HAVE over 200 strategically located Regional, Field, Service and Claims offices at your service. This means quicker production and underwriting decisions and prompt claims adjustments.

YOU HAVE science at work to simplify and speed our clerical services to you. Our electronics department is studying the latest devices to help us realize the service potential these electronic marvels make possible.

These and many more facilities, plus our readiness to go far beyond the routine, are concrete evidence of our belief that an agent's professional counsel and services are of infinitely greater value than the jottings of an order-taker behind a counter.

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COMPANY OF AMERICA • AMERICAN AND FOREIGN INSURANCE COMPANY • THE BRITISH & FOREIGN MARINE INSURANCE
COMPANY LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • VIRGINIA FIRE & MARINE INSURANCE COMPANY

Bosworth Named by Royal Exchange Unit

Bosworth general agency of Denver has been named to represent Exchange Underwriters of Royal Exchange in general fire insurance lines in Colorado, Wyoming and New Mexico.

N. H. Group Names Casualty Special in Pa., Bond Superintendent in N. Y. City

New Hampshire group has appointed Howard Donaldson, formerly with Century Indemnity, casualty special agent at Upper Darby, Pa., where he will be associated with Manager David S. Chapman. Thomas C. Errick has been named superintendent of a new office in New York City established to handle bonds.

Mr. Donaldson replaces Special Agent Jack Reeves, who is being transferred to Washington, D. C. Mr. Errick, whose office will be at 100 William street, started in the business in 1929 with American Surety. In 1942 he went with Columbia Casualty in the surety department, and in 1945 joined Phoenix of London group as assistant superintendent of the bond department. He will concentrate on underwriting and procurement of bond business.

Virginia Dwelling Fire Rates Decreased 2%

A 2% decrease in fire rates for Virginia dwellings occupied by not more than four families and those under the fire protection of first, second and third-class towns has been ordered by the state corporation commission, effective Feb. 14.

The action, which will mean an estimated savings of \$553,620 to policyholders in the state, was based on a report by Commissioner Bowles, which showed that during a five-year period ended with 1953, insurers had earned a percentage of profit in excess of percentage and conflagration allowances prescribed by the commission.

Southern Cal. Casualty Association Elects Macy

Casualty Insurance Assn. of Southern California has elected W. S. Macy, New Amsterdam Casualty, president, and Arthur R. Roberts, Massachusetts Bonding, vice-president. Other new officers are Bruce H. McFirney, Fidelity & Deposit, secretary-treasurer, and Jerry Wade, Royal-Liverpool, assistant secretary-treasurer.

Name Scurfield Charleston American Surety Manager

American Surety has named Robert H. Scurfield manager of its Charleston, W. Va. claims office. Mr. Scurfield joined the company as a claim representative in Pittsburgh in 1953.

Banker Joins New Zealand

Arthur J. Banker has been appointed special agent in San Diego county and the Imperial Valley for New Zealand. He replaces Richard W. Lees, who has been transferred to Los Angeles.

Mr. Banker started in insurance in 1934, and has had field experience in the east as well as in California.

A cocktail hour and dinner preceded the program of "Bosses Night" staged by the Insurance Women of Madison, Wis. Lester Meinhardt, Northwestern Mutual, was entertainment M. C.

Stanley Livingston Jr., assistant to the president of Nicholson File Co., has been named to the board of Providence Washington to fill the unex-

pired term of the late Everett S. Hartwell.

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Refining N. Y. WC Rating Is Discussed

Rating methods in the New York workmen's compensation field are being refined at the insistence of the state insurance department. Frank Harwayne, chief casualty actuary, told examiners of the department.

He said one adjustment has become necessary because of the unequal effect of rapidly changing wage rates upon premiums and losses. The failure of losses to keep pace with premiums in recent years arises out of the \$36 ceiling imposed on weekly indemnities by law.

Consequently, in recent years the compensation insurance rating board, although it has reserved its right to challenge the propriety of the course, has introduced a wage level factor which is superimposed on the indicated rate level and is reflected in the rate for classifications rated on a payroll basis.

Mr. Harwayne cited the complete protection afforded employers who purchase a modern WC policy, which, in addition to providing for the assumption by the insurer of all medical and indemnity costs arising out of employee injuries, also provides coverage against liability under common law actions involving both employees and third parties.

Two unique aspects of the WC rating system in New York were described as a failure to make any theoretical provision in the rates for profit during the 34-year period ending in 1948 and the rating for all WC insurers is based on rates set by one body, the compensation rating board.

Excelsior Votes to Add 25,000 \$10 Shares

Stockholders of Excelsior have voted to issue 25,000 new shares of capital stock at \$10, to holders of record April 20. Subscription ends May 16. Present holders can purchase one new for each six held. With the new issue 175,000 shares will be outstanding. This will give Excelsior \$1,050,000 capital and contribute \$100,000 to surplus, and will be used for expansion, including into the casualty field. Steps were taken to license the company in Virginia, District of Columbia and Kentucky.

Baltimore Store Offers Coverage on Merchandise

Another insurance with merchandise plan has been instituted by Lomax decorating shop of Baltimore. The policy, which sells for 60 cents a \$100 per year, provides floater coverage on everything sold by the store. Insurance purchasers must also take a service plan.

Bond Waiver Bill Filed

WASHINGTON—A bill to authorize the waiving of the requirement of performance and payment bonds in connection with certain coast guard contracts has been introduced by Rep. Cellar, chairman of the judiciary committee.

'53-'54 Mexican Yearbook Ready

The 1953-54 edition of Mexican Insurance Yearbook is now being distributed by its publisher, Revista Mexicana de Seguros. It contains up-to-date information about insurance men and statistics of companies operating in Mexico.

Dr. Paul B. Magnuson of Chicago, addressed the Feb. 16 meeting of Casualty Adjusters Assn. of Chicago on "Rehabilitation of the Injured."

52nd Annual Statement REPUBLIC INSURANCE COMPANY

FINANCIAL STATEMENT

As of December 31, 1954

Annual FINANCIAL STATEMENT

VANGUARD INSURANCE CO.

As of December 31, 1954

ASSETS

Cash in Banks	\$ 373,215.81
U. S. Government Bonds*	2,545,501.05
Public Utility Preferred Stocks† . . .	51,500.00
Industrial Preferred Stocks†	49,250.00
Industrial Common Stocks†	96,370.00
Agents' Balances (Not over 90 days) . .	234,902.51
Premium Notes	19,303.63
Other Assets	3,171.85
	\$3,373,214.85

LIABILITIES

Unearned Premium Reserve	\$ 820,098.62
Reserve for Losses	259,780.00
Reserve for Taxes	102,117.51
Other Liabilities	5,500.00
Schedule "P" Statutory Reserve	104,808.20
Contingency Reserve	47,804.20
Capital	\$1,000,000.00
Surplus	1,033,106.32
	2,033,106.32
	\$3,373,214.85

*Amortized

†Value as established by Insurance Commissioners Committee on Valuation of Securities.

U. S. Government Bonds of the par value of \$355,000.00 are on deposit with the Insurance Departments of various states in accordance with legal requirements.

ASSETS

Cash in Banks and Offices	\$ 2,081,860.23
U. S. Government Bonds*	8,007,104.62
State Bonds*	218,827.42
Municipal Bonds*	4,553,460.16
Industrial Bonds*	6,973.60
Mortgage Loans	138,859.60
Collateral Loans	354,613.73
Savings and Loan Investments	1,708,265.73
Public Utility Preferred Stocks†	851,981.00
Industrial Preferred Stocks†	1,081,450.00
Bank Stocks†	4,216,638.00
Insurance Stocks†	1,153,051.00
Vanguard Insurance Co. (a wholly owned subsidiary)	2,080,910.52
Railroad Common Stocks†	45,200.00
Public Utility Common Stocks†	477,980.00
Industrial Common Stocks†	2,788,764.78
Agents' Balances (Not over 90 days)	1,443,181.16
Premium Notes	1,200,643.83
Home Office Building	136,899.19
New Home Office Building Site	223,803.38
Eastern Department Building	98,507.18
Pacific Coast Department Building	93,419.07
Due from Reinsurers	257,060.73
Other Assets	101,726.50
	\$33,321,181.43

LIABILITIES

Unearned Premium Reserve	\$17,716,498.72
Reserve for Losses	913,785.96
Reserve for Taxes	935,403.47
Other Liabilities	155,148.98
Contingency Reserve	5,239,475.62

Capital:

Preferred	\$1,700,000.00
Common	2,400,000.00
Surplus	4,260,868.68

\$33,321,181.43

*Amortized

†Value as established by Insurance Commissioners Committee on Valuation of Securities.

U. S. Government Bonds of the par value of \$1,560,000.00 are on deposit with the Insurance Departments of various states in accordance with legal requirements.

*Writing: FIRE • TORNADO • WINDSTORM • HAIL • EXPLOSION
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Eastern Dept. 110 Fulton Street, NEW YORK, N. Y. Central Dept. 309 W. Jackson Blvd., CHICAGO, ILL.

Pacific Coast Dept. 675 S. Park View, LOS ANGELES, CAL.

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operating as



Homer Bray Service



Washington, Oregon, Texas, Georgia, Alabama & Florida

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MUTUAL FIRE ASSOCIATION

* HOME OFFICE * SEATTLE * WASHINGTON *

WESTERN: Los Angeles Missoula Phoenix Portland Salt Lake City
San Diego San Francisco Spokane Vancouver, Canada
SOUTHERN: Raleigh Dallas EASTERN: Chicago Columbus New York

Companies Give Reports on 1954 Business Results

(CONTINUED FROM PAGE 14)

	Premiums Earned	Losses Incurred	Premiums Earned	Losses Incurred	
Expl., riot, civil comm.	80	2	Excelsior, Syracuse—Assets, \$3,066,579, incr., \$135,780; loss res., \$119,334; unearned prem., \$1,400,117; capital, \$900,000; surplus, \$1,450,129, incr., \$129,721.	2,462	\$54
Earthquake	182		Excess of loss reinsurance	1,107	1,075
Multiple peril	2,903	1,419	Total	2,081,569	959,249
Inland marine	22,725	11,296			
Personal property floater	61,419	31,703			
Accident	6,574	1,110			
Group A. & H.	3,567	290			
Workmen's comp.	2,036,527	1,280,818			
Liability (not auto)	891,843	302,328			
Auto liability	2,573,248	1,204,631			
Auto PDL	1,500,211	572,658			
Auto phys. dam.	1,351,851	512,798			
P.D. (not auto)	215,242	41,894			
Fidelity	176,580	38,573			
Surety	903,607	171,448			
Glass	163,755	59,434			
Burglary, theft	195,937	55,694			
Credit	22,433				
Total	10,659,282	4,504,252			

Central Surety Fire—Assets, \$651,844, incr., \$16,171; capital, \$250,000; surplus, \$645,344, incr., \$14,171.

Country Mutual Fire—Assets, \$18,661,713, decr., \$832,218; loss res., \$293,742; unearned prem., \$10,338,980; surplus, \$5,705,354, decr., \$742,640.

Fire 2,862,006 1,059,382

Extended coverage 1,386,023 627,016

Torn., wind (ex. crops) 182,420 85,390

Crop-Hail 4,519,186 5,318,066

AEC-AP and others 2,398 —312

Total 8,952,034 7,090,167

Economy Fire & Casualty, Freeport—Assets, \$6,761,192, incr., \$838,815; loss res., \$1,230,823; unearned prem., \$2,032,171; capital, \$500,000; surplus, \$2,721,479, incr., \$423,664.

Fire 2,862,006 1,059,382

Extended coverage 1,386,023 627,016

Torn., wind (ex. crops) 182,420 85,390

Crop-Hail 4,519,186 5,318,066

AEC-AP and others 2,398 —312

Total 8,952,034 7,090,167

Employers of Alabama—Assets, \$3,111,014, decr., \$134,932; loss res., \$872,900; unearned prem., \$986,908; capital, \$306,500; surplus, \$1,025,000, incr., \$23,143.

Fire 27,782 9,414

Extended coverage 8,817 299

Workmen's comp. 1,409,693 842,148

Liability (not auto) 85,450 33,340

Auto liability 520,149 182,046

Auto PDL 314,104 104,279

Auto phys. dam. 116,615 39,389

P.D. (not auto) 61,407 29,697

Fidelity 12 —

Surety 63 —

Glass 12,868 366

Burglary, theft 6,309 200

Auto collision 311,466 19,078

Total 2,874,644 799,887

Employers Reinsurance—Assets, \$56,236,369, incr., \$3,200,788; loss res., \$25,727,909; unearned prem., \$9,670,395; capital, \$2,000,000; surplus, \$13,457,954, incr., \$1,953,948.

Fire 1,876,461 818,163

Extended coverage 655,975 309,049

Torn., wind (ex. crops) 24,150 13,171

Sprinkler and water dam. 899 219

Expl., riot, civil comm. 2,021 3,944

Earthquake 9,085 —

Inland marine 102,678 43,446

Aircraft phys. dam. 156 487

A. & H. 1,032,744 390,883

Group A. & H. 173,121 6,512

Non-can. A. & H. 78,018 46,138

Workmen's comp. 1,287,591 859,978

Liability (not auto) 893,684 359,451

Auto liability 6,172,513 3,512,830

Auto PDL 616,500 94,126

Auto phys. dam. 199,231 154,781

P.D. (not auto) 140,271 10,810

Fidelity 651,867 93,784

Surety 2,414,582 608,150

Glass 10,937 —1,034

Burglary, theft 249,658 81,739

Boiler, machinery 56,009 1,036

Credit 625,769 208,819

Total 17,273,920 7,616,552

Equity Mutual, Kansas City—Assets, \$2,706,571, incr., \$313,096; loss res., \$786,445; unearned prem., \$962,161; surplus, \$605,140, incr., \$39,173.

Fire 4,941 4,056

Extended coverage 3,261 1,277

Workmen's comp. 322,324 181,330

Liability (not auto) 81,239 43,532

Auto liability 762,671 367,593

Auto PDL 382,752 177,676

Auto phys. dam. 500,965 177,562

P.D. (not auto) 11,648 1,615

Surety 2,778 —

Glass 5,420 2,979

	Premiums Earned	Losses Incurred	Premiums Earned	Losses Incurred
Burglary, theft	2,462	554		
Excess of loss reinsurance	1,107	1,075		
Total	2,081,569	959,249		

Excelsior, Syracuse—Assets, \$3,066,579, incr., \$135,780; loss res., \$119,334; unearned prem., \$1,400,117; capital, \$900,000; surplus, \$1,450,129, incr., \$129,721.

Fire 540,366 248,108

Extended coverage 161,477 255,466

Torn., wind (ex. crops) 48 19

Sprinkler and water dam. 340 42

Expl., riot, civil comm. 15 —

Earthquake 42 —

Inland marine 31,634 7,171

Liability (not auto) 105 —

Auto phys. dam. 467,934 224,620

Glass 68 —

Burglary, theft 2,181 1,011

Total 1,204,210 736,428

Farm Bureau Mutual Automobile, Columbus—Assets, \$133,553,178, incr., \$24,428,365; loss res., \$49,291,459; unearned prem., \$31,914,478; surplus, \$30,501,879, incr., \$7,246,088.

Accident (ind.) 280,819 94,934

A. & H. 248,796 174,483

Group A. & H. 2,262,636 1,917,071

February 24, 1955

The NATIONAL UNDERWRITER

19

Losses incurred	\$
554	
1,075	
959,249	
10, incr.	
prem., \$450,128,	
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736,428	
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loss res.,	
8; sur-	
94,934	
174,463	
1,917,071	

	Premiums Earned	Losses Incurred
Non-can. A. & H.	673	\$
Workmen's comp.	3,746,480	2,237,880
Liability (not auto)*	2,204,413	495,993
Auto liability	48,186,919	33,344,914
Auto PDL*	28,073,954	15,771,514
Auto phys. dam.	35,632,604	13,639,142
P.D. (not auto)	470,245	249,343
Fidelity	6,535	428
Burglary, theft	298,604	119,350
Hospital	1,419,867	776,793
Excess of loss	88,700	63,171
Total	122,921,253	68,885,016

*Premiums include membership fees.

	Premiums Earned	Losses Incurred
Farm Bureau Mutual Fire, Columbus—Assets	\$16,471,451	incr., \$2,062,876 loss res., \$915,164; unearned prem., \$9,363,900; surplus, \$3,843,748, incl., \$534,650.
Fire	3,874,227	1,487,815
Extended coverage	1,477,439	1,702,743
Torn., wind (ex. crops)	13,109	4,769
Earthquake	8	
Crop-Hail	444,395	563,048
Home owners multi peril	1,428	412
Auto phys. dam.*	7,005,151	4,235,045
Exc. of loss cover (assumed)	23,763	107,331
Excess of loss cover	71,219	-1,115,420 (ceded)
Total	12,768,351	6,985,743

*Premiums include membership fees.

	Premiums Earned	Losses Incurred
Farmers Home Mutual of Minneapolis—Assets	\$5,004,941	incr., \$393,968; loss res., \$93,795; unearned prem., \$2,283,261; surplus, \$2,375,122, incl., \$107,134.
Fire	906,435	289,468
Extended coverage	445,761	350,727
Torn., wind (ex. crops)	11,317	4,344
Earthquake	285	
Farm wind	978,653	632,694
Am. Mut. Reins. Co.	11,010	50,453
Total	2,353,461	1,327,686

	Premiums Earned	Losses Incurred
Freight Ins. Co.—Assets	\$8,130,101, incr., \$1,009,629; loss res., \$1,166,789; unearned prem., \$2,425,184; capital, \$700,000; surplus, \$3,555,768, incl., \$721,257.	
Fire	1,139	
Extended coverage	393	
Sprinkler and water dam.	1	
Liability (not auto)	108,448	2,263
Auto liability	1,454,677	628,805
Auto PDL	1,072,277	488,239
Auto phys. dam.	2,021,952	750,330
P.D. (not auto)	22,150	16,241
Auto medical	276,224	118,581
Other medical	25,899	16,333
Total	4,983,160	2,020,852

	Premiums Earned	Losses Incurred
Grange Ins. Association, Seattle—Assets	\$1,511,866, incl., \$635,351 loss res., \$348,103; unearned prem., \$1,086,116; surplus, \$2,817,846, incl., \$462,848.	
Fire and EC	767,804	262,794
Crop-Hail	128,301	43,531
Liability (not auto)	82,891	36,232
Auto liability	398,433	211,934
Auto PDL	199,297	161,577
Auto phys. dam.	576,121	2,5,962
Fidelity	1,109	
Auto med. payments	66,908	37,310
Livestock	1,695	1,66
Total	2,222,469	960,506

	Premiums Earned	Losses Incurred
Jersey—Assets	\$12,703,408, incr., \$1,179,026; loss res., \$767,137; unearned prem., \$5,382,665; capital, \$1,000,000; surplus, \$6,062,078, incl., \$1,318,156.	
Fire	2,098,136	887,212
Extended coverage	739,295	686,877
Torn., wind (ex. crops)	7,474	3,651
Sprinkler and water dam	10,358	3,549
Expl., riot, civil comm	1,041	1,320
Earthquake	7,297	12
Ocean marine	30,048	7,184
Inland marine	257,545	134,837
Aircraft phys. dam.	35,565	23,693
Liability (not auto)	417	186
Auto liability	207	—
Auto PDL	133	—
Auto phys. dam.	2,299,812	1,009,615
Glass	330	135
Burglary, theft	521	231
Multiple line N.O.C.	14,824	9,357
Total	5,503,011	2,767,867

	Premiums Earned	Losses Incurred
Michigan Mutual Automobile—Assets	\$1,832,103, incl., \$266,092; loss res., \$447,845; unearned prem., \$683,381; surplus, \$534,280, incl., \$129,835.	
Liability (not auto)	21,849	6,107
Auto liability	375,972	219,510
Auto PDL	407,706	206,080
Auto phys. dam.	764,883	360,576
P.D. (not auto)	2,209	272
Burglary, theft	9,670	3,792
Medical pay	86,144	33,517
Total	1,668,436	829,857

	Premiums Earned	Losses Incurred
Mid-Continent Casualty, Kansas City—Assets	\$1,486,995, incl., \$122,676; loss res., \$184,734; unearned prem., \$676,749; capital, \$400,000; surplus, \$160,566, incl., \$7,330.	
Fire	3,547	2,200
Extended coverage	1,634	198
Group A. & H.	63	
Liability (not auto)	2,046	-206
Auto liability	225,811	149,646
Auto PDL	156,622	75,792
Auto phys. dam	780,568	328,260

	Premiums Earned	Losses Incurred		Premiums Earned	Losses Incurred		Premiums Earned	Losses Incurred
P. D. (not auto)	52	\$	Farm floater	2,451	2,484	Auto phys. dam.	513,759	282,418
Surety	4,534		Total	1,057,205	492,708	P. D. (not auto)	28,005	4,809
Total	1,174,881	555,890	National Casualty—Assets	\$20,785,307, incr., \$3,393,925; loss res., \$5,082,723; unearned prem., \$4,173,708; capital, \$1,500,000; surplus, \$9,- 985,995, incl., \$2,320,367.				
Motor Vehicle Casualty Co., Elmhurst, Ill. —Assets, \$5,778,605, incr., \$610,367; loss res., \$1,- 207,907; unearned prem., \$2,034,769; capital, \$600,000; surplus, \$1,800,683, incl., \$217,655.			Fire	104,075	34,605	National Surety—Assets, \$63,118,380, incr., \$725,562; loss res., \$12,108,342; unearned prem., \$20,473,395; capital, \$2,000,000; surplus, \$26,077,- 315, decr., \$739,205.		
			Extended coverage	40,700	44,650	Group A. & H.	8,100	3,543
			Torn., wind (ex. crops)	381	191	Burglary, theft	1,112	144
			Auto liability	2,630,236	1,144,025	Auto medical payment	1,690	-651
			Accident	2,387,696	1,082,268	Total	2,233,382	1,197,265
			A. & H.	2,016,765	858,990	National Surety—Assets , \$63,118,380, incr., \$725,562; loss res., \$12,108,342; unearned prem., \$20,473,395; capital, \$2,000,000; surplus, \$26,077,- 315, decr., \$739,205.		
			Workmen's comp.	9,173,456	6,345,509	Group A. & H.	8,100	3,543
			Liability (not auto)	52,817	100,413	Burglary, theft	1,112	144
			Auto liability	59,787	7,149	Auto medical payment	1,690	-651
			Auto PDL	38,361	12,513	Total	2,233,382	1,197,265
			P.D. (not auto)	4,970	2,314	National Surety Marine—Assets , \$7,929,530, incr., \$611,183; loss res., \$675,985; unearned prem., \$3,546,813; capital, \$1,000,000; surplus, \$3,128,096, incl., \$430,301.		
			Fidelity	2,805	-55	Inland marine	2,129,948	1,063,182
			Glass	918	734	Auto phys. dam.	2,897,487	1,108,034
			Coverage Fees	15,530		Total	5,027,435	2,171,216
			Total	16,590,966	9,645,341			

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REINSURANCE DEPARTMENT

NORTH AMERICA COMPANIES



Insurance Company of North America
Indemnity Insurance Company of North America
Philadelphia Fire and Marine Insurance Company

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Philadelphia 1, Pa.

	Premiums Earned	Losses Incurred	Premiums Earned	Losses Incurred
	\$	\$	\$	\$
Fire	896,640	390,539	Auto liability	3,354,489
Extended coverage	238,071	201,682	Auto PDL	1,210,818
Torn., wind (ex. crops)	12,835	11,474	Auto phys. dam.	1,152,744
Sprinkler and water dam	3,664	707	P.D. (not auto)	142,361
Expl., riot, civil comm.	640	—109	Fidelity	376,522
Earthquake	1,920	29	Surety	1,536,289
Crop-Hail	34,619	29,830	Glass	25,563
Ocean marine	44,886	19,754	Burglary, theft	138,363
Inland marine	200,526	98,221	Total	10,451,371
Aircraft phys. dam.	4,102	2,552		4,353,338
Liability (not auto)	—5		Pennsylvania Lumbermens Mutual—Assets	
Auto phys. dam.	458,635	182,540	\$15,430,567, incr., \$456,863; loss res., \$841,600;	
Glass	—29	—6	unearned prem., \$5,536,511; guaranty fund	
Burglary, theft	—75	—58	\$500,000; surplus, \$8,319,796, incr., \$489,870.	
Flood & rain	701	257		
WSA-ocean marine	29		Fire	5,040,619
Total	1,897,159	937,412	Extended coverage	2,072,989
			Torn., wind (ex. crops)	23,914
			Sprinkler and water dam	27,167
			Expl., riot, civil comm.	2,355
			Earthquake	13,481
			Inland marine	89,347
			Auto phys. dam.	77,172
			Excess	347,979
			Total	6,504,282
				3,085,722
			Personal Indemnity, Milwaukee—Assets	
			\$599,497, incr., \$106,270; loss res., \$126,761; un-	
			earned prem., \$317,255; surplus, \$116,915, incr.,	
			\$6,504.	
			A&H, hosp. and surgical .. 1,388,534	618,685
			Preferred Mutual Fire of Chenango County—	
			Assets, \$3,959,443, incr. \$390,074; loss res., \$201,-	
			433; unearned prem., \$2,041,571; surplus, \$1,-	
			355,463, incr., \$62,530.	
			Fire	1,028,655
			Extended coverage	267,985
			Torn., wind (ex. crops)	386
			Sprinkler and water dam	2,011
			Inland marine	30,166
			Auto phys. dam.	548,326
			Burglary, theft	8
			Comp. Dwg. End.	904
			Total	1,878,441
				858,431
			Public National, Miami—Assets	
			\$2,404,739; incr., \$965,937; loss res., \$632,271; un-	
			earned prem., \$544,913; capital, \$500,000; surplus, \$1,-	
			005,409, incr., \$376,952.	
			Fire	1,028,655
			Extended coverage	267,985
			Torn., wind (ex. crops)	386
			Sprinkler and water dam	2,011
			Inland marine	30,166
			Auto phys. dam.	548,326
			Burglary, theft	8
			Comp. Dwg. End.	904
			Total	1,878,441
				858,431
			Reciprocal Exchange—Assets	
			\$1,708,318, incr., \$43,664; loss res., \$57,130; unearned prem.,	
			\$586,703; surplus, \$826,511, incr., \$41,177.	
			Fire	493,215
			Extended coverage	109,185
			Torn., wind (ex. crops)	2,178
			Sprinkler and water dam	2,503
			Expl., riot, civil comm.	217
			Earthquake	1,379
			Inland marine	10,307
			Auto phys. dam.	18,512
			Total	637,500
				203,983
			Republic Indemnity, Los Angeles—Assets	
			\$2,707,701, incr., \$281,993; loss res., \$963,508; un-	
			earned prem., \$690,008; capital, \$257,589; sur-	
			plus, \$459,207, incr., \$24,815.	
			Workmen's comp. 1,363,508	715,088
			Liability (not auto) 41,199	9,448
			Auto liability 336,669	490,293
			Auto PDL 474,931	209,499
			Auto phys. dam. 184,697	101,418
			P. D. (not auto) 7,501	1,411
			Total	1,020,218
				860,935
			Reciprocal Exchange—Assets	
			\$1,708,318, incr., \$43,664; loss res., \$57,130; unearned prem.,	
			\$586,703; surplus, \$826,511, incr., \$41,177.	
			Fire	493,215
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			Auto PDL 474,931	209,499
			Auto phys. dam. 184,697	101,418
			P. D. (not auto) 7,501	1,411
			Total	1,020,218
				860,935
			Service Casualty—Assets	
			\$29,467,674; decr., \$1,541,246; loss res., \$771,854; unearned prem.,	
			\$13,158,864; capital, \$1,000,000; surplus, \$11,949,-	
			490; incr., \$2,574,189.	
			Auto phys. dam. 16,567,100	6,931,154
			Service Fire—Assets	
			\$88,816,216; incr., \$7,-	
			409,333; loss res., \$2,319,356; unearned prem.,	
			\$41,513,873; capital, \$2,000,000; surplus, \$33,051,-	
			941, incr., \$9,582,569.	
			Auto phys. dam. 44,647,304	20,189,328
			Shelby Mutual Cas.—Assets	
			\$2,495,305; loss res., \$6,265,525; unearned prem.,	
			\$7,885,813; surplus, \$4,381,539, incr., \$865,089.	
			Workmen's comp. 698,622	403,228
			Liability (not auto) 1,032,300	508,761
			Auto liability 4,922,669	3,118,063
			Auto PDL 3,570,707	1,741,461
			Auto phys. dam. 3,272,879	1,343,368
			P. D. (not auto) 189,344	48,287
			Glass 787,510	369,123
			Burglary, theft 299,536	158,126
			Med. pay-auto 585,144	268,434
			Med. Pay-gen. liab. 67,759	23,857
			False arrest 1,554
			Total	15,428,024
				7,982,707
			Pearless Casualty—Assets	
			\$26,860,577, incr., \$5,317,642; loss res., \$7,841,496; unearned prem.,	
			\$5,715,785; capital, \$2,700,000; surplus, \$10,377,-	
			371, incr., \$4,840,281.	
			Fire 341,943	155,758
			Extended coverage 116,736	161,093
			Torn., wind (ex. crops) 2,351	197
			Sprinkler and water dam 482	132
			Expl., riot, civil comm. 153	93
			Earthquake 2,351	240
			Inland marine 34,234	12,973
			Multiple peril 4,263	837
			Accident 72,260	10,472
			A. & H. 174,033	78,571
			Hosp. and med. 224,828	81,641
			Group A. & H. 281,594	146,012
			Workmen's comp. 617,290	377,580
			Liability (not auto) 641,704	259,593
			Square Deal, Des Moines—Assets	
			\$2,961,278, incr., \$189,369; loss res., \$19,328; surplus, \$2,-	
			808,471, incr., \$247,792.	
			Crop-hail 1,453,531	536,494
			Trans-America, Ala.—Assets	
			\$900,049, incr., \$225,285, loss res., \$225,579; unearned prem.,	

Losses
incurred
\$

476,658

346,474

538,458

14,386

210,946

407,953

9,648

63,623

533,338

Assets,
41,600;
fund
70.

641,817

14,728

8,948

266

2,793

44,990

29,884

269,303

85,722

Assets,
1; un-
incr.,

618,685

unty—

\$201,-

\$1,-

423,313

210,442

276

6,099

24,861

193,439

558,431

04,739;

earned

\$1,-

676

58,998

490,233

209,490

101,418

1,411

360,935

, incr.,

prem.,

115,381

87,085

218

89

Total

1,203

6

203,983

Assets,

8; un-

; sur-

715,088

9,448

136,266

105,986

186,353

2,913

156,054

decr.,

prem.,

3,051,-

189,328

, incr.,

prem.,

65,089

403,228

508,761

118,063

741,461

343,368

48,287

369,122

158,126

268,434

23,857

982,707

61,278,

\$, \$2,-

536,494

incr.,

prem.,

	Premiums Earned	Losses Incurred		Premiums Earned	Losses Incurred
	\$	\$		\$	\$
\$405,422; capital, \$105,252; surplus, \$254,513, incr., \$39,774.	11,168	11,287	Torn., wind (ex. crops)	32,645	8,062
Workmen's comp.	2,031	1,000	Sprinkler and water dam	6	223
Liability (not auto)	577,589	286,305	Inland marine	3,304	—
Auto liability	374,368	231,273	Accident	2,669	—
Auto PDL	153,011	95,403	Hospital and med.	193,804	76,794
Auto phys. dam.	594	—	Liability (not auto)	27,963	18,009
Glass	162	123	Auto liability	769,306	333,167
Burglary, theft	450	1,260	Auto PDL	604,743	233,525
Total	1,119,375	626,654	Auto phys. dam.	963,349	353,064
			P.D. (not auto)	12,070	6,276
			Glass	16,208	5,139
			Cas. reins. written	7,180	3,985
			Cat. reins. written	5,535	33,247
			Misc.	325	—
			Total	3,867,789	1,476,880

Twin City Fire —Assets, \$4,734,875, incr., \$706,370; loss res., \$202,650; unearned prem., \$1,038,765; capital, \$750,000; surplus, \$3,383,818, incr., \$729,943.	537,984	234,325	Wolverine —Assets, \$14,004,170, incr., \$2,-	569,678; loss res., \$2,760,835; unearned prem., \$7,128,188; capital, \$1,000,000; surplus, \$2,432,-	
Fire	142,843	121,000	Extended coverage	583,566	1,871,514
Torn., wind (ex. crops)	7,701	6,883	Sprinkler and water dam	517	1,457
Sprinkler and water dam	2,198	425	Inland marine	6,141	3,084
Expl., riot, civil comm.	384	—65	Expl., riot, civil comm.	211	15
Earthquake	1,152	17	Earthquake	1,561	—
Crop-Hail	20,771	17,898	Home Owners	624	80
Ocean marine	26,932	11,852	Auto phys. dam.	1,682,060	729,550
Inland marine	120,316	58,933	Glass	4	100
Aircraft phys. dam.	2,461	1,531	Burglary, theft	21	55
Liability (not auto)	—3	—	Excess of loss reins.	1,111,750	—
Auto phys. dam.	275,181	109,524	Total	4,452,175	2,131,697
Total	1,138,295	562,448			
Twin States , Charlotte—Assets, \$2,528,141, decr., \$82,293; loss res., \$96,954; unearned prem., \$1,636,738; capital, \$200,000; surplus, \$625,126, incr., \$83,069.	1,896	1,707	United Pacific —Assets, \$21,770,009, incr., \$2,142,618; loss res., \$5,558,756; unearned prem., \$7,243,163; capital, \$1,100,000; surplus, \$6,250,-000, incr., \$1,225,000.	2,301,078	637,592
Fire	17,723	1,018	Extended coverage	583,566	1,871,514
Extended coverage	1,777	1,339	Torn., wind (ex. crops)	517	1,457
Earthquake	146	—	Sprinkler and water dam	6,141	3,084
Inland marine	4,362	130	Expl., riot, civil comm.	211	15
Group A&H	1,896,394	1,477,258	Earthquake	1,561	—
Workmen's comp.	226,236	138,374	Home Owners	624	80
Liability (not auto)	1,764,448	797,000	Auto phys. dam.	1,682,060	729,550
Auto PDL	3,351,814	1,762,880	Glass	4	100
Auto phys. dam.	2,223,919	861,327	Burglary, theft	21	55
Fidelity	2,669,269	987,965	Excess of loss reins.	1,111,750	—
Surety	895,280	385,330	Total	4,452,175	2,131,697
Glass	94,908	32,423			
Burglary, theft	247,944	110,319			
Total	16,024,680	7,276,188			

Union Mutual, R. I. —Assets, \$2,792,971, decr., \$55,006; loss res., \$180,566; unearned prem., \$1,-420,633; surplus, \$1,027,272, incr., \$27,272.	1,788,334	318,543	Union Mutual Fire , Montpelier—Assets, \$1,-990,974, incr., \$251,243; loss res., \$73,606; unearned prem., \$608,779; surplus, \$1,128,658, incr., \$225,628.	713,603	240,580
Extended coverage	840,363	198,538	Torn., wind (ex. crops)	187	—
Torn., wind (ex. crops)	4,284	2,933	Sprinkler and water dam	278	—
Expl., riot, civil comm.	391	—	Inland marine	31,706	14,396
Earthquake	5,043	—	Auto phys. dam.	26,793	12,056
Inland marine	49,695	14,732	Comp. dwg. end.	303,125	143,043
Compre. dwelling	5,133	953	Res. for excess loss reins.	901	—
Glass	263	—	Total	1,141,829	452,667
Burglary, theft	306	40			
Total	2,695,691	535,759			

Union Mutual Fire , Montpelier—Assets, \$1,-990,974, incr., \$251,243; loss res., \$73,606; unearned prem., \$608,779; surplus, \$1,128,658, incr., \$225,628.	713,603	240,580	Fort Wayne Insurance Women's Assn. has elected Mrs. Eula Raines president, LaVerne Winter vice-president, Mrs. Betty Findley recording secretary, Mrs. Frieda Sumner, corresponding secretary, and Mildred Claussen, treasurer.	197,070	56,971
Extended coverage	97,070	—	Torn., wind (ex. crops)	16	17
Torn., wind (ex. crops)	—	—	Sprinkler and water dam	321	—
Sprinkler and water dam	26,793	12,056	Inland marine	31,706	14,396
Auto phys. dam.	303,125	143,043	Auto phys. dam.	26,793	12,056
Res. for excess loss reins.	901	—	Comp. dwg. end.	342	359
Total	1,141,829	452,667	Liability (not auto)	447	249

Vermont Mutual Fire —Assets, \$3,227,144, decr., \$49,408; loss res., \$211,559; unearned prem., \$1,881,420; surplus, \$1,024,882, decr., \$78,942.	1,227,338	401,090	West Bend Mutual Fire —Assets, \$1,514,732, decr., \$74,746; loss res., \$47,878; unearned prem., \$633,489; surplus, \$760,271, decr., \$21,170.	371,073	155,972
Extended coverage	191,382	335,404	Fire	143,609	96,746
Torn., wind (ex. crops)	604	—	Extended coverage	143,677	1,880
Sprinkler and water dam	278	—	Torn., wind (ex. crops)	402	—
Inland marine	31,706	14,396	Inland marine	340	10
Auto phys. dam.	787,604	459,612	Auto phys. dam.	342	359
Comp. dwg. end.	5	—	Liability (not auto)	447	249
Total	2,238,967	1,210,502	Glass	6	10

Western Mutual, Des Moines —Assets, \$6,551,-473, incr., \$667,544; loss res., \$583,090; unearned prem., \$2,695,023; surplus, \$2,915,656, incr., \$457,093.	796,549	254,122	MacGibeny Agency Inc.	371,073	155,972
Extended coverage	432,127	151,260			

Bills on Credit Life and

A&H Expected in Kan., N. M.

Among the proposals of the Kansas legislative council studying small loans is a measure to forbid lenders to charge a borrower for insurance on his loans up to \$300.

In New Mexico, Gov. Simms has sent a special message to the legislature recommending in connection with small loans that a licensee wanting to conduct an insurance business in addition, must obtain permission from the bank examiner. Any profits from collateral sales, including premiums on credit life or A&H, would be deemed charges, and the total charge for interest and insurance could not exceed the maximum interest rate. Insurance would not be required as a condition of the

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**FIRE & ALLIED LINES—BURGLARY—PUBLIC LIABILITY
SURPLUS AND EXCESS LINES**

**MID-WEST INSURANCE COMPANY IS THE
AGENTS' AND BROKERS' COMPANY**

Why delay your inquiry?**A CAPITAL STOCK COMPANY****REMEMBER,****WE'VE
ADDED FIRE****NOW...****PAN AMERICAN
Fire & Casualty Company**

PAN AMERICAN INSURANCE COMPANY, Affiliate

EARL W. GAMMAGE, PRESIDENT

P. O. BOX 1662

T. EARNEST GAMMAGE JR., EXEC. V. P.

HOUSTON 1, TEXAS

A Consistent Policy

An insurance company's service to agents can take no more useful form than writing their business, year in and year out. Some companies oscillate between extreme underwriting liberality and ultra-conservatism. In better times they seek new business aggressively; when profit margins dwindle, they restrict writings severely. Study the record of company writings in poor years as well as good ones, and note how the New Amsterdam has avoided drastic changes in policy.

BALTIMORE

**New Amsterdam
CASUALTY COMPANY**

NEW YORK

Elect Reese President of Houston Exchange

Frank R. Reese was elected president of Insurance Exchange of Houston by the directors at their annual meeting. John M. Strange, retiring president, received an engraved testimonial of outstanding service to the insurance industry presented by Marley Styner, past president, for the membership of the exchange.

Other officers and directors named are J. E. Sams, first vice-president; Francis W. Humphrys, second vice-president; Sandy B. Bahm, treasurer, and Wynne L. Creekmore, Thomas W. Hopkins Jr. and John R. Ray, directors. John W. Daniel was re-elected executive secretary.

Elect William Crandall Most Wise of Cats Meow

William H. Crandall, St. Louis manager for the Aetna Fire group, was elected most wise and powerful meow of the St. Louis Court of the Great and Jovial Order of Cats Meow, a local insurance organization.

Other officers named are: Most sagacious recorder of meows, Riley F. Finnegan Jr., independent adjuster; most faithful keeper of the catnip, Calvin Bowersox, Bowersox agency; inside keeper of the watch, Carl W. Meyers, and outside keeper of the watch, Bennett G. Gregory, manager of the Insurance Board of St. Louis.

Callahan at Louisville

Tom Callahan, Time of Milwaukee, chairman of International Assn. of A&H Underwriters, and William Coursey, managing director of the association, spoke at the February meeting of Louisville Assn. of A&H Underwriters.

Personnel Group Elects

Roy Parmenter, Royal, was elected president of Insurance Personnel Management Assn. of San Francisco. Other new officers are William Fuen'e, Fire Rating Bureau, vice-president; Claudia Roche, Massachusetts Bonding, secretary, and Earl Strickland, St. Paul, treasurer.

Tex. Employers Changes

W. T. Jones has been promoted to field sales manager in the home office of Texas Employers and Employers Casualty. Walter Holloway has been promoted to sales director over half of the Texas offices. Mr. Jones has been manager at Corpus Christi. Mr. Holloway has been Dallas district sales manager since 1953.

Three New Texas Insurers

Lumbermen's Ins. Corp. has been organized at Lufkin to take over the business of Lumbermen's Lloyds. The new company has capital of \$200,000 and is doing a multiple line business.

Security General of Houston has been licensed with capital of \$100,000 and surplus of \$50,000 to do a multiple line business. O. Dean Couch is president.

Acme Lloyds has been organized at Dallas with a guaranteed fund of \$70,000 to write full coverage automobile. Harry W. Brodgin is attorney in fact.

Fire Companies Merge

Chenango County Patrons' Fire Relief Assn. of Norwich, N.Y., has merged with Stamford Fire. As the surviving company, Chenango assumes all assets and liabilities of Stamford and receives 550 additional members.

Edward Owen, attorney, spoke on "Your Will" at the meeting and Valentine party of the Insurance Women of Madison, Wis. Delegates were selected for the regional convention to be held March 11-13 at Milwaukee, with the Insurance Women of Racine as hosts.

Mutual Agents Ready Midyear Program

National Assn. of Mutual Insurance Agents will hear Chase M. Smith, Kemper group general counsel, present his views on the future of fire and casualty insurance at its midyear meeting March 28-30 in Dallas.

A second debate on agency problems will be held with the same persons who participated in the New York convention discussion joining in. They are M. L. Landis, general counsel of Central Mutual; Russell Davis, vice-president of Lumbermens Mutual of Mansfield, and B. S. Stake, fire manager for Thompson, Kinkaid, Hill and Powers of St. Louis.

Advance hotel reservations indicate an all-time record attendance will be set. Previous high for a midyear meeting was 575 in New Orleans two years ago.

Fall While Going for Cigarettes Is Covered Under WC in Minn.

ST. PAUL—A salesman who left his truck to buy a package of cigarettes and fell on the sidewalk and injured himself is entitled to workmen's compensation benefits, Minnesota industrial commission held in a unanimous decision. A salesman for the Pabst Brewing Co. called on a customer, and failing to make a sale returned to his truck. When he found he was out of cigarettes he went back to the customer's place of business and fell on the sidewalk. The commission said in its ruling it is "of the opinion that Schommer (the salesman) had not sufficiently departed or deviated from his employment with the Pabst Brewing Co. to take himself out of the protection of the workmen's compensation act."

Lack of Data Big Problem in Group A&H for Pensioners

(CONTINUED FROM PAGE 13)
through the gradual dropping out of the healthier lives.

An alternative payment plan outlined by the speaker was the use of one over-all premium plan for both active employees and pensioners, based on the average of the two claim costs. Use of such a rate generally makes it feasible to require the pensioner to make a contribution equal to the active employee, and so ostensibly have a pensioner-pay-all-plan. He warned, though, the employer must understand this merely is a device and he still will be paying a major portion of the pensioner costs.

Mr. Pettengill said this payment idea has caused some employers to inquire as to whether it would be possible to move the pensioner cost entirely into the active employee premium so that benefits would be fully paid for at retirement. The speaker opined this idea currently is impractical and will remain so until the cost of pensioner benefits can be more accurately determined.

Two Big Contract Bonds

National Surety has the bond on Griffith Co. at Los Angeles, which was awarded a contract at a price of \$2,817,519 by California department of public works to grade and pave and build bridges on 2.4 miles of Santa Ana freeway.

Fidelity & Deposit is surety for Morison-Knudsen Co. of Boise for its contract to grade the S.P. & S. railway on the Washington side of the Columbia river at a bid price of \$2,407,076. The contract was let by the U. S. Engineers.

Chicago A&H Assn. Hears L. A. McKinnon

It is rather difficult for men in the A&H business to understand its full impact on the U. S. economy as a whole since they are so close to their product, Leonard A. McKinnon of the McKinnon-Mooney agency, Flint, Mich., president of International A&H Assn., told members of the Chicago association at their February meeting.

For 1953, Mr. McKinnon pointed out fire losses amounted to \$903,400,000, whereas the A&H companies paid back to their policyholders \$2,476,000,000. "This is a picture we can be proud of and no phase of the business is moving ahead so fast," he declared. Although it is difficult for a life insurance man to transfer his thinking to take in the A&H picture, to do a full job this must be accomplished, said Mr. McKinnon. He tells his own life men that they have three choices:

Let the clients' earning power go uninsured; let some other agent step in and probably take away the rest of the business; adjust thinking to provide the client with all-around cover. He mentioned several of the new fields today for A&H, such as business A&H to go along with business life insurance, credit A&H, mortgage, travel policies, etc.

He advised his audience to find out how strong they are as agents and whether they are subtracting or adding to the business, emphasizing that the greatest service any insurance man can do is to accept his responsibility for the total job that needs to be done. Mr. McKinnon also discussed the place of the International, state and local associations. They represent the voice of the individual as a force for good, he declared.

The International, while already sponsoring and promoting education, should go even further to develop a basic A&H course which gives professional importance to the agents and helps raise the standard of the business as a whole. "If this is not done, we are lost," he said. Insurance commissioners are taking notice of complaints coming into their departments. In one state out of 1,200 complaints, 75% were found to be due basically to the agent not understanding his product. He mentioned the DISC which is now in about 35 colleges but went on to say that "we can't be satisfied with present accomplishments, we must continue to improve the course."

Mr. McKinnon also discussed the importance of public relations to the individual and the industry as a whole, and mentioned the manual the International has made up for local associations telling them their duties and responsibilities. Aside from that he said, "the best public relations we can have is for the agent to know and understand his business." He must provide proper cover and never misrepresent his product. Also the local association

should work with medical and hospital associations just as the International does with these and other groups, such as the conference and bureau.

The Chicago association adopted a resolution as going on record against the federal reinsurance health bill. The resolution is to be signed and sent by the association to all Illinois congressmen and senators in Washington. This is also being done in other states, William G. Manzelmann, North American Accident, president of the Chicago association, stated.

Cincinnati Board Officers Repeat

L. A. Hellming, president of Cincinnati Underwriters Assn., has been elected to a second term in that office. George Guckenberger III, vice-president, is also remaining in office.

Mr. Hellming is vice-president of A. W. Shell & Co. and Mr. Guckenberger is a partner in Barkdull & Guckenberger.

Fire Association Names Devlin Mo. State Agent

Fire Association group has appointed James F. Devlin state agent for eastern Missouri, succeeding William E. Seely who has joined the James B. Hill agency at St. Louis. Mr. Devlin, who will maintain headquarters at Kansas City, previously served four years as an eastern Massachusetts field man.

Herd is Named Chairman in N. Y. Red Cross Drive

J. Victor Herd, executive vice-president of America Fore, has been appointed chairman of the general insurance division of the March fund raising drive of the Red Cross.

Volunteer chairmen of sub-divisions are George Inselman, president of Marine Office of America; William H. Heineke, vice-president of Lumbermen's Mutual Casualty; William E. McKell, president of American Surety; Clarke Smith, U. S. manager of Royal-Liverpool; Samuel A. Meharter, chairman of McDaniel & Co., New York, and Roy N. Jenkins, president of Alexander & Alexander.

New Switzerland Agency for Pacific National

American International Underwriters has entered Pacific National Fire in Switzerland and has appointed Rinderknecht & Co. general agent. Pacific National has been licensed by the Swiss federal council to write marine hull and cargo, fire, allied lines and casualty, plate glass, water damage, theft and reinsurance.

Craftsman OKs Stock Split

A 2.5 for 1 stock split on outstanding common stock, increasing the authorized common from 8,000 to 20,000 shares, was approved by Craftsman stockholders at the annual meeting. The shares, formerly \$25 par value, will have a par value of \$10 each.

Walter R. Hennessey was named to the new post of chairman and Charles M. Hayes, with the company for more than 25 years, was elected first vice-president, also a new position. Named assistant secretary was Elwood A. Ford, chief underwriter.

N. J. Field Men to Meet

Albert Kays, manager of the administrative division of New Jersey Fire Insurance Rating Org., will speak on the new manual of schedule rating at the meeting of New Jersey Insurance Fieldmen's Assn. Feb. 28 at Newark.

Crittenden to Mountain Field

Hawkeye-Security has appointed R. Victor Crittenden as field representative in Wyoming and Colorado. He has been with the company since 1949 as claim adjuster in Iowa and claim manager at Muscatine.

Mich. Mutual Liability Reports

Michigan Mutual Liability had one of its best years in 1954, winding up the twelve months with assets of \$55,283,985, an increase of \$3,863,249; surplus to policyholders of \$11,973,711, a gain of \$1,538,722 and total premium

income of \$40,269,550. Workmen's compensation premiums were \$18,788,063, automobile \$17,298,981 and other casualty lines, \$4,182,504.

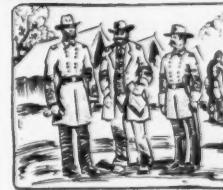
United States Liability of Philadelphia has entered New York to write automobile physical damage on a retrospective basis in connection with financed automobiles. The company operates also in Pennsylvania, New Jersey, Delaware and Virginia.

The Oklahoma Blue Goose pond during 1954 had 48 regular meetings and three special meetings.

LEADERS ALL



PHILIP SHERIDAN (1831-1888) was a Union officer in the war between the states, noted for his great courage and brilliant leadership.



CALLED "LITTLE PHIL", his military career was an almost unbroken series of victories. He was one of three Union officers in the war, who reached the rank of general.



A GRADUATE OF THE MILITARY ACADEMY, he served for a while in wars against the Indians. In the fall of 1863 Sheridan's division fought so well at Booneville, Mo.; that he was raised to major general.

AGENTS ARE LEADERS . . . who represent Hawkeye-Security and Industrial. In addition to offering the finest protection, they are backed by companies that help them build volume. They know they can depend on Hawkeye-Security and Industrial for prompt settlement . . . every sales aid . . . and skilled field representatives to work with them.

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Des Moines, Iowa



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EDITORIAL COMMENT

No Headlines for FTC Turkey at Chicago

The federal trade commission last November had a field day in the newspapers when it released, behind the backs of the companies, announcement of its charges against 17 insurers on the score of false and misleading advertising. Of course, FTC had planned it that way. The method of attack was such as to gain maximum publicity for the agency at maximum damage to the accused.

Very unfortunately for all concerned (from the standpoint of retribution, that is), there was no commensurate publicity attending the first hearing on the charges, that of Bankers Life & Casualty, at Chicago. When FTC actually got down to trying to prove its allegations against Bankers, it made a miserable flop of the whole thing. The commission counsel sent 16 witnesses back home, figuratively threw up his hands, and is now in Washington asking "What'll we do now, Boss?" After five days of preparation in the hearing, FTC began to expose its case, and one day of exposition was enough.

Where was the publicist who wrote the newspaper release last November while the Bankers L. & C. hearing was in progress? FTC was certainly not reticent about condemning the insurance companies when all it had to do was scream its charges to the papers, but nobody on the FTC staff was calling in the reporters when it came to demonstrating how the commission intended to prove what it had said.

In the Bankers L. & C. hearing, FTC showed clearly it was making no distinction between direct mail sales and direct mail advertising. By trying to prove, in the case of any agency insurer, that an advertisement constituted a prospect's whole understanding of a policy and provided the motivation for purchase, FTC simply ignored the facts. Counsel for Bankers lost no time in making this clear, and FTC counsel saw this soon enough to realize his case was entirely incorrectly predicated.

Despite this bungling of technique, FTC might not have asked for a recess if its cause had not been made to appear so utterly ridiculous by its own witnesses. Six women and one man, supposedly just plain folks, were called to the stand to give their impressions of Bankers L. & C. advertising. It took no time at all to show that these people either were friends of the FTC inves-

tigator or were friends of his friends. One woman even told FTC counsel, of all people, in response to a question, that she agreed to testify because she "wanted to help Mr. Johnson." Naturally, this and numerous other illuminating statements from these "witnesses" are on the record, and this must be humiliating to FTC. In fact, it must have been so disconcerting to know that by calling more of the same would only add to the damage, that the only choice was to get out of town.

The strategy of trying the cases against the insurers separately in all reason ought to call for FTC to pick the case it is most likely to win the first time out. It will be astonishing if FTC decides to resume its case against Bankers in the near future.

Offhand, we can't remember who is the next FTC victim, but we can hardly wait for the case to start.

PERSONALS

James R. McGowan, president, Thomas T. North, Inc., Chicago, independent adjusters, arrived in London Feb. 20. He will visit with Lloyd's underwriters and return in about four weeks.

A. C. Root of Clinton, Ia., is celebrating his 50th anniversary as head of the 100-year old agency which bears his name. The first A. C. Root moved from Massachusetts to pioneer in the banking and insurance field, and when he died in 1881 had built up a substantial local agency. The present A. C. Root is the fourth of the family to head the agency.

Glen Glover of Nashville, Home farm department special agent, has been named chairman of the 1955 cancer crusade for middle Tennessee. State chairman is **Harry S. Avery** of Alamo, National Board special investigator.

R. M. McGhee, manager at Cincinnati for National Surety, is back on the job after a siege of pneumonia.

Albert Carson, manager at Seattle for Hartford Accident, has been confined to General hospital for three weeks with a heart condition.

Commissioner Frank Sullivan of Kansas has received his army retirement certificate. Mr. Sullivan retired with a rank of major. He served in the infantry during World War I and in

the military police in the last war, and has completed more than 20 years with the army and army reserve.

William T. Peters, vice-president of MacGibney-Grupe agency of Chicago, has returned after a trip to Europe where he visited Lloyds and had a vacation in the Netherlands and in France.

Bernard L. Boutin, president of Boutin agency of Laconia, N. H., has received the unopposed Democratic nomination for mayor there.

Harry E. Vernoy, a vice-president of Firemen's of Newark, is serving on the Essex county (N. J.) grand jury.

DEATHS

CHARLES E. GAUSS, 80, former Michigan insurance commissioner, died at Marshall after a protracted period of failing health.

Mr. Gauss was named to head the Michigan department in 1933 by the newly elected Democratic governor, the late William A. Comstock. He had had prior insurance experience, but his



CHARLES E. GAUSS

direction of affairs during the depression and the bank holiday and insurance moratorium, won him high praise. He was displaced when a Republican governor was elected, but during his term he had refused to reorganize the department and made only a few personnel changes, so that the continuity of the supervisory staff was maintained. When Frank Murphy was elected governor of Michigan, Mr. Gauss returned as commissioner, serving from 1937 to 1938.

Mr. Gauss went into the banking business after graduating from high school. He became a stockholder and director of the First National Bank of Marshall, and in 1901 started a proprietary medicine business which made

him wealthy. He devoted most of his later life to public service.

JAMES J. LYNN, 59, president of U. S. Epperson Underwriting Co., Lynn Underwriting Co., Universal Underwriters and Lumbermens Underwriting Alliance of Kansas City, died at his ranch at Borrego Springs, Cal.

Mr. Lynn began his insurance career in 1917 as manager of Lumbermens Underwriting Alliance, a reciprocal, of which U. S. Epperson Underwriting Co. is attorney-in-fact. In 1922 he organized Lynn Underwriting Co., which is attorney-in-fact for and manager of Universal Underwriters. Universal Underwriters Ins. Co. was organized by Mr. Lynn in 1949.

Mr. Lynn was president of a California Yoga order. Last year he made a gift of a million dollars to the Self Realization Fellowship of All Religions.

PARKER A. BRICKLEY, 61, special agent of Atlas group in eastern Massachusetts and Rhode Island, died at his home at West Roxbury, Mass. He began his career in the engineering department of John C. Paige & Co., Boston, in 1920, and later was with Kaler, Carney, Liffler & Co., a special agent of Royal Exchange, a field man of Standard of New York and of General of Seattle. He joined Atlas in 1944.

PAUL A. JABLON, SR., 54, assistant claim manager for Standard Accident at Chicago, died there. He joined the company in 1931 as an investigator and adjuster after previous experience at Chicago with the Yellow Cab company and U. S. F. & G.

ROBERT D. BUDLONG, 53, an industrial designer at Chicago and a member of a prominent insurance family, died there. He was a brother of Richard C. Budlong, editor of the *Local Agent* and *Life Insurance Selling* magazines at St. Louis, of Roger W. Budlong, public relations and safety director of Oregon State Motor Assn. and former insurance journalist, and Theodore W. Budlong, assistant manager of public relations for the National Board. His father was E. C. Budlong, for many years prominent in the A&H field and former vice-president of Federal Life. Mrs. E. C. Budlong is still living in the Mather Home at Evanston, Ill.

RAY G. WETSTINE, 55, of Wethersfield, president of the Hartford agency that bore his name, died there. He was past secretary and vice-president of Casualty & Surety Assn. of Connecticut.

Snyder President of Drug & Chemical Club

Arthur Snyder, vice-president of Alfred M. Best Co., has been elected president of Drug & Chemical club of New York. Other officers are John Teeter, vice-president of Charles Pfizer & Co., vice-president; Robert H. Nicholls, secretary of America Fore, treasurer, and Joseph J. Magrath, vice-president of Chubb & Son, secretary.

Howard J. Burridge, President.
Louis H. Martin, Vice-President.
Joseph H. Head, Secretary.
John Z. Heischede, Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.



ATLANTA 3, GA.—432 Hurt Bldg. Tel. Walnut 9801. Fred Baker, Southeastern Manager.

BOSTON 11, MASS.—207 Essex St., Rm. 421, Tel. Liberty 2-1402. Roy H. Lang, New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. A. J. Wheeler, Resident Manager.

CINCINNATI 2, OHIO—420 E. Fourth Street, Tel. Parkway 2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; George E. Wohlgemuth, News Editor; Arthur W. Riggs, Statistician.

DALLAS 1, TEXAS—708 Employers Insurance Bldg., Tel. Prospect 1127. Alfred E. Cadis, Southwestern Manager.

DETROIT 26, MICH.—502 Lafayette Bldg., Tel. Woodward 1-2344. A. J. Edwards, Resident Manager.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg., Tel. Victor 9157. William J. Geising, Resident Manager.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Main 5417. Howard J. Meyer, Resident Manager.

NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-3958. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

OMAHA 2, NEBR.—610 Kocline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127, Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Bernerd J. Gold, Resident Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 544 Market St., Tel. Exbrook 2-3054. F. W. Bland, Pacific Coast Manager.

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Assistant Editors: Warren Kayes and Eloise West.

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"Secrecy" Provisions of Indiana Auto Rating Law Under Attack

INDIANAPOLIS — Commissioner Harry Wells explained the so-called "secrecy" provisions of the Indiana automobile rating law in an appearance before the house insurance committee holding hearings on a bill to abolish the office of insurance commissioner and replace it with a five-man commission. The measure is receiving considerable attention in the Indianapolis press, although it was not taken seriously when it was introduced, the chairman of the house insurance committee terming it "silly" and "a joke."

Proponents of the bill are making an issue of the "secret hearings" and have made it clear they are not attacking Mr. Wells personally. Mr. Wells said he was not necessarily defending the provisions of the law, but was simply explaining them. After the hearing, he told a NATIONAL UNDERWRITER representative that the secrecy provisions have been such a headache that he would be just as pleased to see them removed.

Under the law, the commissioner may not make any filings for rate changes public until the effective date. This is the practice under the all-industry law in many states. In a prepared statement Mr. Wells mentioned that in the past two years there has not been a single state-wide increase in rates, and the few increases in some territories have been more than offset by decreases in others. He estimated that overall, the decreases have amounted to \$10 million annually, so that rate changes involved in the "secrecy" provisions have been of benefit to the Indiana public.

At the same time, he commented, the secrecy provisions can break down when the daily newspapers jump release dates on stories announcing new rates as sent out by companies or bureaus.

Cal. Directors to Meet

Directors of California Assn. of Insurance Agents will hold their spring meeting at Sacramento March 11-12. March 10 in Sacramento is "Insurance Day."

U J Bill in New York

Sen. Friedman has introduced in the

New York legislature an unsatisfied judgment bill that would require the insurance superintendent, after consulting with insurers licensed to write auto casualty coverage, to approve a plan for assignment of causes of action on BI or PDL in excess of \$100 arising out of an accident where the person liable is unknown or where there is no insurance.

U. S. C. of C. Opposes Marine Discrimination

U. S. Chamber of Commerce's opposition to any rule, regulation decree or statute which requires an exporter or importer to place marine insurance in companies of any particular nation was stressed by Earl Cruikshank before United Nations transport and communications commission.

The commission previously adopted a resolution recommending that the UN economic and social council propose for the consideration of governments that efforts be made in all future commercial treaties to obtain inclusion of a clause designed to prevent discrimination between different markets in placing marine insurance.

Rhodes Named Oklahoma Assistant Commissioner

Horace G. Rhodes has been appointed assistant Oklahoma commissioner. He just graduated from the law school at Oklahoma University, and is an air force veteran of World War II and of the Korean conflict.

Mr. Rhodes succeeds Howard Austin who has joined the recently organized Mid-American Life of Oklahoma City.

London Assurance Field Men in Conference

Eastern and midwest field men of London Assurance and Manhattan F. & M. home office executives and department heads are attending a field conference this week at Asbury Park, N. J.

Many topics are being discussed, particularly homeowners' package policies, comprehensive dwelling policies and the new broad form dwelling and contents forms. Problems of cooperation in regard to home office and field operations are also being studied.

Field representatives will return to their respective territories early next week.

The Oliver Blase agency in St. Louis has moved into enlarged quarters in suite 830-32 of the Pierce building. Clyde H. Scott, secretary of the Insurance Brokers Assn. of St. Louis, recently joined the agency.

Earned Premium Gain Is Noted by Glens Falls Group; Dividends Up

Glens Falls group earned premiums in 1954 of \$70,650,629, a 1.12% increase over the 1953 total of \$69,866,265. Consolidated capital, surplus and voluntary reserve, including Glens Falls Corp., amounted to \$44,491,138, compared to \$34,629,650 in 1953.

Incurred losses and loss expense increased from \$39,327,267 in 1953 to \$39,617,093 last year and incurred underwriting expenses were \$29,029,166 compared to \$28,631,916 for the previous year.

Income from investments increased 6.7% to \$2,828,875, not including capital gains. Total net income after taxes was \$3,477,702, compared to \$2,803,433 in 1953. Premiums written decreased from \$72,711,318 in 1953 to \$71,119,211 last year. Increase in the unearned premium reserve was \$468,582 for 1954.

Other members of the group are Glens Falls Indemnity and Commerce.

Inland Empire Has 100% Gain in Surplus in 1954

Inland Empire of Salt Lake City in its 1954 statement shows surplus to policyholders of \$1,003,554, a gain of nearly \$500,000. Assets of \$5,467,541 are up nearly \$4 million.

The company closed the year with an unearned premium reserve of \$702,787 and a loss reserve of \$232,454.

The statement shows premiums in course of collection (not over 90 days due) of \$2,332,311, bills receivable and taken for premiums \$61,403, and reinsurance recoverable \$31,391.

Loss drafts payable amount to \$226,548 and there is a secured loan assumed from Louisville F. & M. of \$135,000. Funds held in reinsurance treaties account for \$2,601,120. The company is capitalized at \$500,000.

175 at Columbus Bosses' Night

Insurance Women of Columbus held their 13th Bosses' Night Monday with 175 in attendance. Miss June Aitken was chairman, and the welcome address was given by Julia A. Loth, president of the organization. Homer L. Rubrecht state agent of St. Paul group, gave the response. Among the guests were Phyllis H. Dragstrem of Indianapolis, recording secretary of the National association; Lucille Wable of Newark, publicity chairman of region IV of the National associa-

tion; T. M. Gray Sr., secretary of Ohio Assn. of Insurance Agents; Janette Davis, president of Insurance Women of Zanesville; W. R. Gable and D. N. Clay of Underwriters Adjusting, and Allen Guy, regional supervisor, and W. R. Keller, manager of Western Adjustment.

GAB Names Irwin on Coast, Revamps Casualty Setup

Donald M. Irwin has been promoted in the Pacific department of General Adjustment Bureau to executive assistant. He is relieved as manager of the automobile division and that is being consolidated with the casualty division under a new title, casualty-automobile.

J. F. Papscott, manager of the casualty division since 1949, will be in charge of the new combined unit.

Mr. Irwin joined GAB in 1937 and has had experience at Bakersfield and in the executive offices. He was made manager of the automobile division in 1949.

Mr. Papscott started with the claims department of Fidelity & Casualty and later was an independent adjuster before joining GAB at Fresno. Later he went with Hartford Accident in the claims department at San Francisco, rejoined GAB in 1946, and in 1949 became manager of the casualty division. His assistants will be L. J. McCrory for automobile and H. F. Reilly for general casualty.

Strong Backing for New A&H Legislation in Ohio

COLUMBUS—Both the Republicans and Democrats are said to favor measures to give the superintendent of insurance greater power to correct abuses in A&H insurance. Among the bills so favored is one to outlaw cancellation if the policy has been in effect for a certain length of time, another would allow the superintendent to revoke approval of a policy for good cause, another would permit policyholders to sue mail order companies in Ohio, and another would require death benefits to be paid on all accident policies regardless of the circumstances of the accidental death.

Auto Mutual Storm Loss

Automobile Mutual paid out \$1,375,000 as a result of Hurricane Carol, it was reported at the annual meeting. Karl A. Anderson, former treasurer, was named a vice-president and Clayton T. Koelb, his former assistant, was elevated to treasurer.

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CASUALTY ACTUARY WANTED

OPPORTUNITY TO HEAD NEW DEPARTMENT IN A STRONG, MIDWESTERN COMPANY WRITING MULTIPLE-LINE CASUALTY COVERAGE.

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INSURANCE SPECIAL AGENT

WANTED IMMEDIATELY, by a large, substantial, "A" rated, Texas Capital Stock Company, home office Dallas, Texas, a full time Special Agent of outstanding ability, who has automobile finance and insurance background, if not both, preferably automobile finance. Territories open in Texas, Oklahoma, New Mexico, Arkansas, and Louisiana now. Other states in the future. Must be between ages 28 to 45, be willing to travel extensively and own good late model car. Liberal drawing account and expenses furnished. Address résumé of experience, education, etc. to Box D-57, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AGENCY OPPORTUNITY

Opening for 2 men as branch managers for expanding general insurance agency in Central Ohio. Prefer age 28 to 35 with Stock Company Multiple Line Training in the field. Above average salary plus generous bonus plan for honest, ambitious worker. Permanent position. Reply in confidence stating age, education, employment history, marital status, etc. Enclose recent snapshot. Address D-50, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

ACCIDENT & HEALTH EXPERT

There is an opportunity in a prominent Eastern company for a man who by training & experience is ready to assume over-all operation of its Home Office accident & health dept. The man desired is about 35, knows the existing market & is an underwriter who is accustomed to profitable performance. He also possesses sufficient production & creative bent to inspire agents & field men in the further development of the company's business.

Inquiries will be treated in strict confidence & should be supported by business & educational resume. Indicate salary requirements. Address: P. O. Box 306, Wall St. Station, N. Y. 5, N. Y.

FLEET ACCOUNTS SALES MANAGER

Top-flight Sales Executive (age 35-45), with experience in dealing with major official of large mercantile and industrial organization. This position requires specific knowledge of fleet rating procedures, and a sound background in all casualty lines.

Submit resume and salary level expected. Box D-46, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

2 SPECIAL AGENTS

1. Illinois except Chicago and Northern Counties.

2. New Jersey, New York City, and Long Island. Leading Mutual Company writing Fire, Auto, Inland Marine, and limited Casualty, needs two experienced special agents. Exceptional Bonus, Retirement, Hospitalization and Life Insurance Benefits. Address D-49, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

INSURANCE EXECUTIVE AGENCY DIRECTOR

For A & H; Hospitalization Co. Top H. O. position in small but rapidly growing Kansas City Co. Must have thorough background in this business & capable of developing producing agencies throughout Missouri. Must be familiar with promotional production methods and be an inspiring leader with executive ability and good appearance. Good salary, plus. Immediate opening. Write fully in confidence: President, 834 Dierks Bldg., K. C. 6, Mo.

CHICAGO SUBURBAN AGENCY OPPORTUNITY FOR YOUNG MAN

Trainee under 25 to become assistant manager of established agency, writing all lines. Will do bookkeeping, rating, etc. at start. Some company or agency experience or formal training required. Address D-51, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED ASS'T. CLAIMS SUPV.

Assistant Claims Supervisor wanted by Home Office of a Casualty Company located in Florida. Starting salary \$400.00 per month. State age, education and past experience, as well as references. Replies will be treated confidential. Address D-52, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY UNDERWRITER

Experienced in all Casualty lines to supervise underwriting in Western department office of large multiple line stock company. Give full particulars. Address D-58, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

National Bureau Extends PDL Limits; Other Changes

(CONTINUED FROM PAGE 1)
rates applicable for coverage of \$5,000/\$25,000 limits are retained. However, for the underground hazard, identified by the letter "u" on the manual rate pages, it has been necessary to increase the rates substantially because of extremely adverse experience.

Although the basic limit of liability per accident is increased there is no change in the applicable property damage minimum premiums except for manufacturers' and contractors' liability, for which premiums are increased \$2.50.

Because of the increase in the basic limit of liability from \$1,000 to \$5,000 per accident it was necessary to revise downward the discount percentages applicable to property damage deductible liability.

The need for extending basic limits arose from the increase in property values and loss costs over recent years. The fact that the great majority of policies for PDL other than automobile are written for limits of at least \$5,000 indicates that under present conditions a minimum coverage of \$5,000 is in the public interest.

The increase in the basic limit per accident required that changes be made in both of the property damage increased limits tables because hereafter they will apply to rates for \$5,000 per accident rather than \$1,000, and, where applicable, an aggregate limit of \$25,000 instead of \$10,000. Also there are now three tables, instead of two tables as before, with the third table applying to product PDL. Because the excess limits experience for product PDL has been very unfavorable it was necessary to establish a separate increased limits table for this coverage.

Revised rates for storekeeper's BI and PD liability are effective in all states and territories except Oklahoma. The effective date is Feb. 23 except in Hawaii it is March 1 and in Texas March 23.

The changes in storekeeper's liability rates result in an average reduction of approximately 11% countrywide. The rate changes vary by classification and rate territory. Rates are reduced for some classifications and increased in others. Rate territories

ASSISTANT MANAGER OF CLAIMS DEPARTMENT

An excellent opportunity for a young attorney to advance in a nationally known mutual Company with Home Office in midwest. Experience not necessary, but previous work in Casualty or Fire Claims is desirable. Address D-48, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

UNDERWRITING CLERK

Large progressive agency with excellent advancement opportunities has a trainee job with a future for young man with or without insurance experience. Good location. All Employee benefits. Please contact Mr. Cochran, W. A. Alexander & Co., 135 So. La Salle St., Chicago, Ill. Franklin 2-7300.

HOME OFFICE CLAIMS EXAMINER FOR STOCK CASUALTY COMPANY

Fine opportunity—Aggressive company; Age 25-40; Considerable practical casualty loss experience necessary. Apply in writing for appointment to

Harold R. Wormer
Lincoln Casualty Co.
5th & Capitol Springfield, Ill.

WANTED TO SERVICE

50 claims per month in Wisconsin in the area of Racine, Kenosha, Walworth and Rock counties. Centrally located office. ½ years casualty insurance experience including management of company branch claim office. For further information write D-7, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

are identical with those for OL&T.

These changes in storekeeper's liability rates were necessary because of revisions that have been made in recent months in bodily injury rates for owners', landlords' and tenants' liability and product liability.

Storekeeper's liability coverage for retail store risks cuts across separate kinds of general liability. It provides general liability, both BI and PDL, and medical payments insurance for designated premises with a basic single limit of \$10,000 per accident for liability and basic limits of \$250 per person subject to \$10,000 per accident for medical payments. In one policy, storekeeper's liability affords coverage for store premises, incidental premises used in connection with the insured premises, and operations necessary or incidental thereto, with coverage also included for product liability, for those kinds of contractual liability agreements which may be anticipated in connection with retail store risks, and for sundry other exposures such as advertising signs, equipment or appliances owned or rented to others, booths, exhibits, athletic teams and employee entertainments and meetings.

As part of a countrywide revision, hospital professional liability manual rates and minimum premiums are increased in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Indiana, Kansas, Maine, Maryland, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oregon, South Dakota, Texas, Utah, Vermont, Virginia, West Virginia, Wisconsin and Wyoming, and also in District of Columbia, Alaska and Puerto Rico.

Manual rates remain unchanged but minimum premiums are increased in Kentucky, Massachusetts, Missouri, Pennsylvania, Rhode Island and South Carolina; these six states comprise rate territory where it was not necessary to revise rates.

Changes in rates and minimum premiums were effective Feb. 23 except in Texas where the effective date is March 23.

Manual rate changes, where effective, produce an average increase of approximately 26% countrywide.

Hospital professional liability rate revisions are pending in some other states.

N. Y. Qualification Bill

A bill introduced in the New York legislature would amend the agents qualification law to require 90 hours approved classroom instruction before applicants may take insurance department examinations. A similar condition is already in effect for brokers.

San Franciscans Plan Party

A party to be sponsored by San Francisco pond of Blue Goose March 8 will precede the annual meeting of Fire Underwriters Association of the Pacific. The ladies pond has been invited to the event, which is to feature entertainment by Edgar Bergen and Charlie McCarthy.

Detroit Automobile Inter-Insurance Exchange has opened a regional home office at Kalamazoo to service the policyholders outside the greater Detroit area. The new \$500,000 structure was dedicated at ceremonies Feb. 23. It is at 416 West Kalamazoo avenue, and F. L. Doelker is in charge.

New York City Fire Marshall Martin Scott described the activities of his office at a meeting of New York Board.

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Aetna Sales Graduates Hear Vogel Describe Sound Selling Methods

Prospecting, selling and service are the three fundamentals of agency success, Fred H. Vogel, an Aetna Casualty representative at Albany, N. Y., told the graduating class of the company's 146th sales course session at Hartford.

He said a unique approach should be planned in talking to clients, one that will feature a different slant than they may have previously heard from other agents. The use of less familiar coverages like accounts receivable and valuable papers as introductory lines will often produce good results, he explained.

The graduates were also urged to provide good service for small accounts as well as larger policyholders. Examples were cited showing how over the years the former often mushroomed into big accounts.

The class was led by John E. Young of Cincinnati. Other blue ribbon winners for high scholastic standing were John J. Freisinger of LaCrosse, Wis., David T. Harshman of Glendale, Cal., Robert F. Bencks of Springfield, Mass., James J. Daly, Jr. of Buffalo, John E. Weisenburger of Mt. Pleasant, Mich., John H. Bateman of Providence, Jerome R. Shulking of Denver, Ramon A. Wrend and William P. Lind of Hartford and Joseph P. Adams of Cincinnati. Gold ribbons for demonstrating outstanding aptitude in the insurance business were awarded to Mr. Weisenburger, Mr. Daly and Mr. Young.

Minnesota Agents Hold Lively Midyear: 285 Attend

(CONTINUED FROM PAGE 1) ers Inspection Bureau, explained how BI rates are determined. Edwin I. Peters, regional manager Western Adjustment, said the most important steps in adjusting problems are surveying the property damage, determining the time needed to restore the property and measuring the effects on sales, production and services.

The BI panel was presented at a breakfast meeting for metropolitan and large lines agents at which Carl H. Johnson, president of Minneapolis Assn. of Insurance Agents, was chairman.

The new marine definition and manufacturers output policy was discussed by Julian L. Schmidt, Fireman's Fund. Edwin B. Moran, New York City, secretary National Assn. of Credit Men, urged agents to make certain their clients are adequately insured, adding that 43 of 100 businesses that have a \$500 or more fire loss do not reengage in business because of inadequate insurance. Half of the remaining 57% which resume operations are forced to close within three years because of fire losses not covered, he said.

Emil L. Lederer of Stewart-Keator-Kessberger & Lederer, Chicago, who told how his agency has developed new men into productive agents, was another speaker before the large lines agents.

At the rural agents breakfast meeting stock companies were criticized for increasing farm insurance rates in Minnesota. Kenneth A. Young of Blue Earth, chairman of the meeting, read extracts from several rural agents' letters, urging that they be given better rates on farm business. Mr. Young suggested a 50 cent rate as an experiment on good farm buildings.

Windstorm losses have been heavy in Minnesota, said M. B. Ryon, general

manager Fire Underwriters Inspection Bureau, and they have taken the lead over fire losses. He said 16.4% of the farm business in the state is written by stock companies which cannot compete with farm mutuals in this field. Over a five year period, 1949-1953, Mr. Ryon said, the fire loss ratio was 48%, EC 66% and windstorm, 86%. The combined loss ratio, he said, on an earned paid basis was 66%.

Some agents questioned these figures and asked if co-insurance could be written on farm buildings. Mike Schweihis, Northwestern Fire & Marine, Minneapolis, said the companies have felt co-insurance on farm buildings impractical.

"The tornado situation is tough to live with," Mr. Schweihis told the agents. Over a period of years, he said, losses have ranged from 80 to 107%.

Mr. Young, who does business near the Minnesota-Iowa line, wanted to know why there is such a difference in rates between the two states.

Cecil Berkner of Sleepy Eye, executive committee chairman of the state association, conceded the companies are entitled to a profit on their farm business but he said he believed their loss ratio could be cut. He said they have been licensing some poor agents and have not been using their field men enough on farm business. He also admitted the agents have been doing a poor job on farm writing.

"We are at the crossroads," Mr. Berkner said. "We must either get more favorable rates or turn our backs on the farm business. We are pricing ourselves out of this business. It is too big a potential to walk away from. Agents and companies must coordinate their efforts to hold it."

He suggested a questionnaire be sent to agents to find out how many would attend a school on farm writing. A show of hands on the suggestion was favorable.

Inequitable taxation as between stock and mutual companies was scored by George W. Blomgren, executive secretary of the Minnesota association. He urged agents to write to their congressmen and senators to have the tax situation corrected.

Pending insurance legislation in the state got a lot of attention at the closing session at which it was announced that changes in the bill providing for a revised Minnesota fire policy have made it less acceptable. Richard A. Thompson, chairman of the legislative committee, said changes had been made without the knowledge of his committee and he suggested that the association should have a paid part-time lobbyist to keep in close touch with all bills affecting the insurance industry.

George French, secretary of the Insurance Federation of Minnesota and a member of the legislature, listed some bills in the hopper and advised agents to contact their own legislators on any measures they are opposed to.

Commissioner Cyril Sheehan announced that his department is supporting a bill to increase agents' license fees to help eliminate casual and curbstone agents and brokers.

Described as the two most important casualty bills before the Minnesota legislature were a senate proposal to require an owner of a motor vehicle to furnish proof of financial responsibility when making registration of his vehicle, and another senate measure to remove the present \$17,500 ceiling on wrongful death.

Alex Dean, chairman of the state association's accident prevention committee, said he favors a 65 mile speed

NICB Group Survey Shows 80% Are Covered

A National Industrial Conference Board study of the methods of 963 companies in providing employee security disclosed that company-paid sick leave and group insurance are providing compensation against wage losses due to sickness and disability for 80% of the workers.

In programs for salaried employees in 468 of the companies surveyed, 48% have group A&H insurance plans and 47% give direct cash payments to their employees to supplement workmen's compensation.

A study of hourly plans in 495 companies showed that 84% provide group insurance and 14% supplement WC. As a supplement to WC benefits most firms provide a cash payment, which when added to the benefits equals full pay for periods ranging from one week to the entire length of disability. Some 30% give full pay in addition to WC to salaried employees, while 13% provide this same benefit for hourly employees.

limit on highways and recommended the association give consideration to a proposal to impound auto license plates.

A senate bill which would regulate hospitalization insurance, was severely criticized. The bill provides claims must be paid within two weeks after being filed and if not allowed the company must set forth its reasons in writing.

A production panel on "49-D" and "49-S" and home owners policies concluded the two day program. Panel members were Walter W. Ayrault, president Minnesota Fire Underwriters Assn.; William E. Brandow, vice-president Insurance Agents of Greater Minneapolis; William Holm, Crum & Forster; William Tanner, Employers Group; Roy W. Carlstrom, New Hampshire Fire; Howard Angell, St. Paul Fire & Marine; Clarence W. Mitchell, Fire Underwriters Inspection Bureau, and Robert Walker, Western Adjustment & Inspection.

The legislators luncheon was sponsored by the Northwestern Fire & Marine, Citizens and Twin City Fire companies. Past presidents of the Minnesota association were honored at the banquet at which Carl H. Johnson was master of ceremonies.

F&C Appoints Uhler Agency Superintendent

Edward J. Uhler has been appointed agency superintendent of Fidelity & Casualty. He joined the company in 1937 as special agent and later served as casualty superintendent at Philadelphia. He transferred to the agency department in the home office in 1946.



Edward J. Uhler

Pioneer National of Iowa Enters Automobile Field

Pioneer National Casualty of Des Moines is entering the automobile field and has named Charles Williams Jr. as head of the automobile underwriting department. Mr. Williams has had local agency experience and served both as underwriter and in the field with Phoenix of London at Omaha.

Louis Mathey will head the automobile claim department. He has had experience with Motors and Hawkeye-Security.

NACCA Would Have MDs Testify in Malpractice Cases

An end to the "organized conspiracy" which prevents doctors from testifying against each other in malpractice cases was called for by National Assn. of Claimants' Compensation Attorneys at its eastern regional convention at Atlantic City. The resolution, adopted unanimously, followed a charge by Herbert A. Greenstone, Newark attorney, that "there is an organized conspiracy in the medical profession to stifle any attempt to provide justice for the victim of malpractice."

The group, not the individual, is to blame, he said, declaring that a doctor who attempts to testify in open court against a fellow practitioner would be held up to censure and perhaps even to economic boycott.

R. I. Mutual Expanding

Rhode Island Mutual intends to expand its operation into several additional states this year under the supervision of William J. Watson, vice-president and sales manager.

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Fire Losses Down 13% in January

Estimated fire losses in the U.S. during January amounted to \$75,265,000, a decrease of 13% from losses in January, 1954, and 10.3% from losses in December, according to National Board.

Forums Planned for San Diego I-Day

California insurance experts will be on hand for San Diego Insurance Day, March 4, for which a series of forums on pertinent topics has been planned. Samuel F. Hartman of the Fred B. Mitchell agency is general chairman, and George L. Dutton of Phoenix-Connecticut group is in charge of the program.

The event is sponsored by Insurance Agents Assn. of San Diego and San Diego vocational school in cooperation with the local A&H adjusters, casualty underwriters, fire underwriters, Blue Goose and insurance women associations.

Interstate F.&C. Has Big Increases in 1954

Interstate Fire & Casualty increased its assets in 1954 from \$941,237 to \$1,334,129. Gross surplus was \$817,833 as of Dec. 31, compared with \$788,259 a year earlier. Gross premiums amounted to \$945,127 as compared with \$395,966.

The company started building an agency plant in 1954, having previously operated on a brokerage basis exclusively. The home office is in the Insurance Exchange building in conjunction with George F. Brown & Sons, underwriting managers.

Arthur H. Meyer Jr. has been advanced by Interstate to assistant treasurer and John C. Hickox has been made assistant secretary. Mr. Meyer has been chief accountant and Mr. Hickox has been manager of the production department.

Automobile Mutual Reduces Dividend From 50 to 35%

Automobile Mutual has reduced from 50 to 35% the dividend on expiring policies for automobile fire, theft and comprehensive coverage. The action, effective Jan. 2, was attributed to a decrease in earnings the last several years, caused by the increased cost of operations.

Layden to Ia., Crites in Texas for Comm'l Standard

M. J. Layden has been promoted to state agent in Iowa and in Nebraska for Commercial Standard of Fort Worth. His headquarters will be at Des Moines where he succeeds E. O. Kortemeyer. Mr. Layden joined the company in 1948 as a safety engineer and has been a special agent at Oklahoma City.

William T. Crites has been advanced from home office fire underwriter to special agent at Lubbock to replace G. R. Clayton, who has been called back to military service. Mr. Crites will assist Herman Brown, manager, in serving northwest Texas.

Comparative Negligence Bill Killed in Arkansas

The bill in the Arkansas senate to permit insurers to be sued as co-defendants in injury cases was defeated. The comparative negligence bill also

was beaten in the senate, although a similar bill had passed the house by a vote of 55 to 14. The house has voted down a measure to increase benefits under the workmen's compensation law.

In the senate a bill has been introduced providing that when loss or damage occurs to property in a motor vehicle collision in an amount of \$200 or less, and the party liable fails to pay damages within 60 days after written notice of claim is received, such party is declared liable for twice the amount of loss or damage. The idea is to get some of the BI and PDL insurers to settle claims more rapidly without the need for legal action.

Agent-Legislators Review Indiana Bills

INDIANAPOLIS—Four members of the insurance committees of the Indiana legislature who are also local agents briefed members of the Indianapolis Board on the status of legislation affecting insurance at the current session. Harry W. McClain, executive secretary of the Indiana association, lead the discussion.

G. H. Downey, Indianapolis, chairman of the house insurance committee, and Walter D. Maehling, Terre Haute, and James W. Spurgeon, Brownston, members of the committee, reported on the bills in the house. Harold O. Burnett, a member of the senate insurance committee, gave the picture of insurance bills in the senate.

They reported that the "anti-coercion" bill has passed both houses and is awaiting the governor's signature. This will allow the purchaser of personal property under a conditional agreement to insure the property with the agent of his choice. The bill amending the qualification law to provide for a \$10 licensing fee and quarterly examinations has passed the house, but is being amended in the senate. Most of the other insurance bills are still in committee, including the compulsory automobile bill, the bill calling for the abolishing of the commissioner's office, several bills to repeal the \$15,000 wrongful death limit, bills to raise workmen's compensation payments and to raise the requirements under the financial responsibility law to 10/20/2½. There are no less than 10 small claims courts bills in the hopper.

Indiana Audit Bureau to Merge With Rating Bureau

Indiana Audit Bureau will be merged with Indiana Rating Bureau as of March 1 in order to comply with the "all-industry" laws. W. B. Ward, who has been manager of the audit bureau for 39 years, will continue as manager of the audit department of the rating bureau.

The two organizations have operated side by side on the same floor of the Chamber of Commerce building for many years, so the merger will involve a minimum of difficulty.

Hoecker Named in Illinois

William E. Hoecker has joined Funkhouser-Moore Co. general agency as special agent in Illinois. He will be associated with Max L. Benner, state agent.

Baseball Is Topic at Columbus

Frederick E. Jones, president of Ohio State Life and the Buckeye Union companies, addressed the Insurance Board of Columbus. Mr. Jones, who helped reorganize the Columbus baseball club, talked on "Hometown Baseball."

Late News Bulletins . . .

(CONTINUED FROM PAGE 1)

"Selling Sweetens It for the Customer" and Paul H. Brown, associate professor of marketing at Ohio State, will give "A Pressbox View of the Sales Talk."

At luncheon L. H. Grinstead, president of Beacon Mutual Indemnity, will preside, and Howard L. Bevis, president of Ohio State, will introduce the speaker, Dr. Arthur S. Flemming, director office of defense mobilization. John C. Glandon of the Lentz agency, Columbus, will preside in the afternoon over a panel on how to close the sale. Participants will be H. Hughes Miller, vice-president of Continental Casualty, and James M. Dunphy of Mill Mutuals, Columbus.

On the same day there will be an insurance student conclave with H. Paul Abbott of North American discussing "Opportunities in the Property and Liability Field," Arthur W. Mason Jr., American College, "The CPCU Designation," and John E. Steele, placement director of Ohio State's college of commerce, "The Road to Success in the First Job."

N. C. Grants Professional Liability Rate Increase

Insurance Commissioner Gold of North Carolina has approved the 35% increase in professional liability rates requested by National Bureau of Casualty Underwriters on the basis of poor loss experience. At a January hearing North Carolina Assn. of Mutual Insurance Agents asked the increase be held to 25% as a matter of general policy.

4 Are Promoted by National Fire

National Fire has promoted James F. Deegan, who became head of the law department of National of Hartford group in 1947, to vice-president and secretary, Robert J. Anderson and John L. Shaw from assistant secretaries to secretaries and named Conrad W. Swift, agency superintendent, an assistant secretary. Mr. Anderson will continue to assist in supervision of multiple line business in New England. Mr. Shaw has been in the A&S department. Mr. Swift will continue to assist multiple line supervision in the middle Atlantic area.

N. C. Rehearing on Farm Fire Rate Increase

Commissioner Gold has granted North Carolina Fire Insurance Rating Bureau a rehearing Feb. 28 on its request for a differential which would increase rates on farm dwellings by \$241,000 per year. In January Mr. Gold ruled against the differential on grounds evidence does not substantiate the bureau's contention that hazards are different between farm and non-farm dwellings unprotected. The new hearing was requested on the basis of additional evidence and arguments.

NAIA Argues Meaning of Tax Code

National Assn. of Insurance Agents has presented arguments to the commissioner of internal revenue protesting the ambiguous interpretation of the proposed regulations under section 452 of the new tax code. In a brief prepared by Charles W. Tye, special tax counsel of NAIA, John F. Neville, general counsel, and George S. Hanson, associate counsel, the NAIA states that the regulations should permit insurance agencies to treat commission income as prepaid income under section 452 since there was clearly a liability to render services beyond the year of receipt of the prepaid income as contemplated by the Congress in the enactment of this section.

The NAIA brief emphasizes the inequities existing under prior law relating to taxation of insurance agency commissions. It was emphasized that the intent of Congress in enacting the 1954 code was to correct these inequities. Numerous court decisions were cited by the NAIA in support of its position that the insurance agency has a "liability to render services" within the meaning of the statute. The application of section 452, it was pointed out by the NAIA, should consider not only liabilities which are legally obligatory in the sense of contractual provisions, but should also include liabilities which arise by virtue of the common law in the day to day operations of a taxpayer and should also be viewed in the light of accepted custom and usage surrounding the particular trade or business of the taxpayer where implied liabilities exist.

Employers Casualty to Have 20% Stock Dividend

Stockholders of Employers Casualty at Dallas approved a 20% stock dividend which will increase the capital to \$1½ million. The company is the running-mate of Texas Employers, and last year had written premiums of \$17,006,119. As of Dec. 31, surplus was \$6,129,195.

Porter Bywaters, manager of the A&H department, was elected a vice-president in charge of A&H. He has been with the company 25 years.

Maerklein Joins Zurich

Richard G. Maerklein has joined Zurich in the Michigan field. He will have headquarters at Grand Rapids where he will be associated with F. H. Oliver, manager. Mr. Maerklein formerly was with Hartford Accident and Home Indemnity.

Glens Falls Group Names Milliken in La.

Tom T. Mulliken has been named special agent in Louisiana by Glens Falls group. He will be under the supervision of M. B. McDonald, manager of the southwest service department.

WC Legislation in Pa.

Three bills have been introduced in the Pennsylvania legislature which would set up a compulsory workmen's compensation insurance fund to replace the present optional state fund and amend existing WC laws to abolish the optional provisions under which employers may elect to carry private or state insurance or to be self-insured.

Another Pennsylvania bill would double the state's 2% gross premium tax on out-of-state insurance companies.

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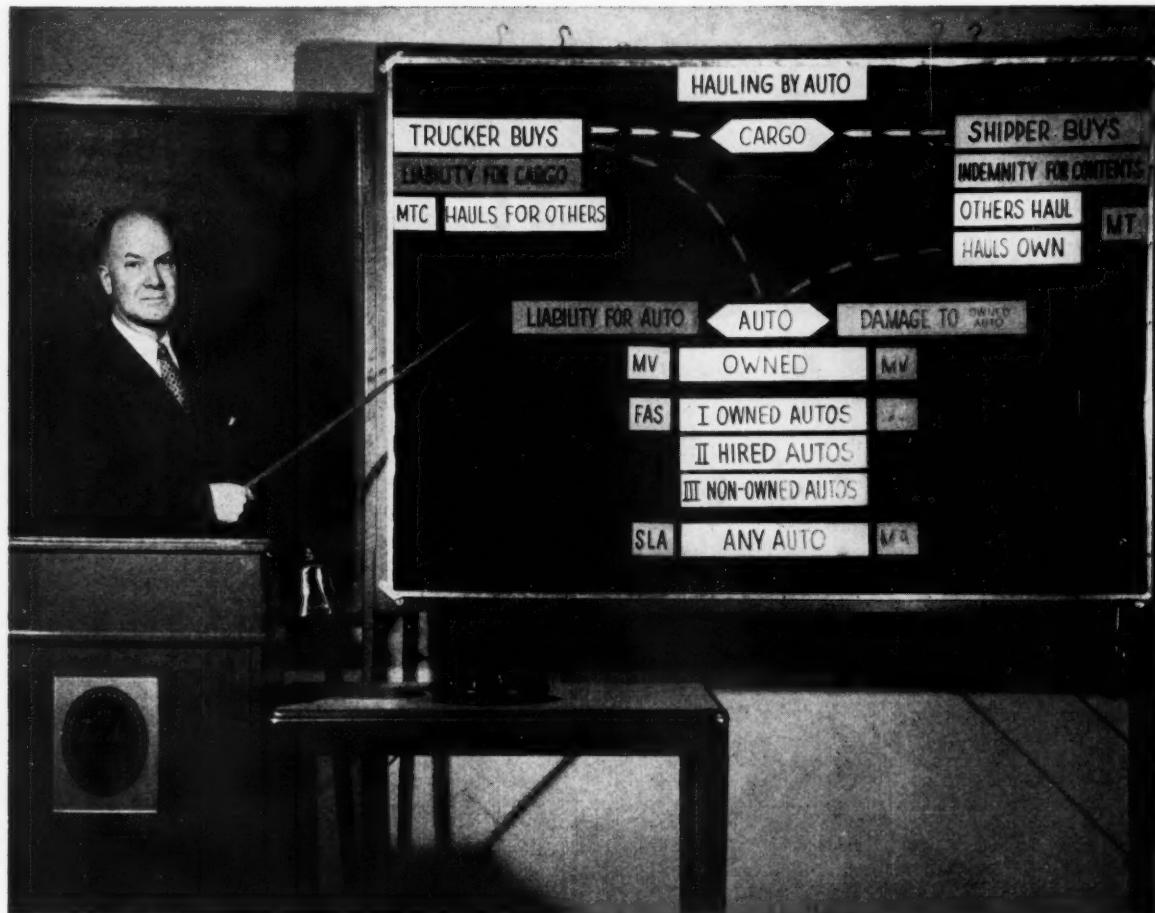
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